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NATIONAL MUNICIPAL REVIEW

1927

VOLUME XVI

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NATIONAL MUNICIPAL REVIEW

Vol. XVI, No. 1 JANUARY, 1927 Total No. 127

EDITORIAL COMMENT

Thoughts from the St. Louis Meeting

Many have expressed the belief that the program of our annual meeting in St. Louis, November 8 and 9, was one of the most stimulating in recent years. The addresses will be published in the National Municipal Review, but our readers may be interested in a few excerpts at this time.

Prof. Thomas H. Reed was the first speaker. Having but recently returned from an extended study of the government of metropolitan regions in Europe, he was able to say with authority:

> The evidence of metropolitan experience in Europe and America leads to three conclusions:
>
> 1. The creation of metropolitan commissions for particular purposes is at best a makeshift—to be justified only as such.
> 2. A strong municipal authority possessed of general powers of local government organized for the whole metropolis, with a reasonable fringe of unoccupied territory for future development, is the only permanently satisfactory provision for the satisfaction of metropolitan needs.
> 3. All such gigantic municipalities must be subdivided into boroughs or districts corresponding as near as may be with pre-existing municipal units or suburbs of the present city.

THE SKYSCRAPER

Major Henry H. Curran, who is leading the fight against the skyscraper in New York had this to say:

> The worst enemy of the American city today is the skyscraper. It is true that in some cities this modern form of monster has not yet increased and multiplied to a point of peril. It is true that in some others, the blow has not yet fallen, though the danger is in sight. But it is also true that in still some other cities, the skyscraper has already become a plague that we may well range alongside our ancient city scourges of cholera, yellow fever, tuberculosis and slums.

EDUCATION COSTS

Dr. A. Ross Hill, a trustee of the Carnegie Foundation and former president of the University of Missouri, spoke on a question which is coming more and more to the front, "Are We Spending Too Much for Education?" He said:

> But does the system of education for which we are paying so much justify itself by its results? Aye, there's the rub! It is charged that the product of our system is characterized by flabbiness of intellect, inaccuracy of information, superficiality of interests, and a lack of mastery of even the mother tongue amounting almost to illiteracy; also that we spend 16 years in doing what European schools do in twelve. Unfortunately there is a measure of truth in these charges, and the question is pertinent; how can student's time or the money of the taxpayer be saved or used to better advantage?

The many who have come to await with interest any deliverance which Alfred Bettman, Esq., may make on the law of city planning and zoning were keenly disappointed at the announcement that a severe attack of grippe would prevent him from appearing on the program. His paper on "Necessary Next Steps in City Planning Legislation" will be published next month.

CITY MANAGER GOVERNMENT

The session on city manager government was also the victim of illness. Laryngitis kept Prof. Leonard D. White at home and the delegates were denied the benefit of his six months' tour of manager cities. Dr. A. R. Hatton defended the manager plan in his usual fluent manner and Walter Matscheck of Kansas City related that city's experience to date with a manager who undertakes to operate on an avowedly partisan basis. While the results have therefore been not what they should have been the situation can be remedied if the people will enforce the spirit of the new charter.

> The charter principles of fixed responsibility, of simplified organization and of more definite authority are established. The administration has improved financial procedure, it is proceeding on a plan to pay off the city deficit, it is planning the improvement of the fire and hospital services with bond money voted last year. The old civil service suits are progressing satisfactorily in favor of the city. In the public works department, there have been some improvements, and work is under way for additional betterment.

Although Professor White declines at this time to report in the REVIEW his findings on the success of the manager plan, it is violating no confidence to report the following paragraph from his press statement, which was published throughout the United States:

> The city manager plan has shown outstanding merit in eliminating politics from the conduct of city business, in securing the same care in the use of public funds, and in the high grade technical operation of municipal services. The managers themselves are usually well qualified by business and engineering training and experience to carry on the city business and have exemplified a high sense of loyalty and faithfulness to the public interests.
>
> The city manager cities have solved the problem of technical administration except insofar as they have been unable to protect their work from interference by the council. They have not solved the problem of political or community leadership. They have not adequately provided for training for the profession, nor for providing systematic thought with regard to the major strategy of their position in municipal government.

PUBLIC UTILITIES

Dr. John Bauer, who edits our Public Utilities Department each month, expressed the belief that although public utility regulation has been a failure because of inability to define principles and the cumbersome methods which have been followed, the situation is not hopeless.

> While the companies are entitled to a "fair return," no workable measure of what is fair has ever been definitely laid down by the legislatures or approved by the courts. Consequently, at every proposed change in rates, there is a long-drawn out controversy over the "fair value" to be determined and the "fair rate" of return allowed. No one is ever satisfied with a decision by the commission, and the same matter has to be gone over again and again, without ever settling anything either as to principle or facts. The condition can be cured through a positive legislative program, rates to be based upon actual cost, including all elements of cost.

Both street railway operators and the public are in doubt as to what form the street transportation of the future will take. Mitten Management, which controls the Philadelphia Rapid Transit Company, has been experimenting and has concluded that the street car is anything but a back number. J. M. Shaw, director of public relations of the P. R. T., said:

> The street car is now and is likely to continue to be the backbone of city transportation. The motorbus has found a place of increasing usefulness in supplying boulevard service and in serving as feeder lines in outlying sections as well as in communities where the large initial investment in track and overhead is not justified. High-speed lines under and over the ground have contributed much in densely populated cities. The

private automobile has won the hearts of many who formerly used the means of public transportation. All of these facilities, however, have limitations which prevent them from replacing the street car as the best means which the science of transportation has yet developed for moving large numbers of people in closely built-up communities.

*

Borough Government for a Metropolis Mr. Wright, former editor of the Canadian Municipal Journal, in an article in this issue of the Review on federated government for Montreal, expresses himself in agreement with the principle of the plan of borough government for the metropolitan district of Pittsburgh which was described in our September issue. A similar plan, he writes, is now being considered for adoption in Montreal.

It is not clear from Mr. Wright's article how the latter plan is to be put into effect and what procedure is to be provided for amending it in the future, but the arrangements adopted to that end in Pittsburgh are not satisfactory as an abstract proposition, although perhaps the best that the local situation will permit. There, the plan has been incorporated very largely in a constitutional amendment with the result that it will be exceedingly difficult to introduce fundamental changes, once it has been adopted. The adoption of the charter is made contingent upon a two-thirds vote in a majority of the municipalities comprising the metropolitan area, and any amendment which would curtail the powers of the constituent municipalities will need the approval of a majority vote in a majority of the municipalities. This is likely to prevent the grant of substantial powers to the central authority and to make exceedingly difficult the adoption of any charter whatever. Apparently, in Montreal, it is proposed that the scheme shall be handed down by the legislature and that more substantial powers shall be granted to the central authority with greater flexibility in the system.

Perhaps Mr. Wright is a little too emphatic when he speaks of the success which the borough form of government has had in London. That there is considerable dissatisfaction, at least with some phases of the scheme, is shown by the agitation carried on in recent years for some readjustment in the relations between the London County Council and the metropolitan boroughs, and by the fact that a special Royal Commission recently made a survey of the subject. An examination of the volumes of testimony taken by that commission and the reports of its deliberations reveal some holes in the London scheme of government, and an appraisal of its merits is not easy.

But irrespective of Pittsburgh and London, the plan proposed for Montreal carries the problem of metropolitan government one step nearer solution and we trust that the efforts of Mr. Wright and his associates will meet with success.

P. S.

*

Public Schools Need Sound Financial Administration In our issue of last November we raised the question whether our public school boards were operating economically and at maximum efficiency. We pointed out the amazing increase in public school expenditures and called attention to the fact that school administration should receive the same critical treatment as the other departments of municipal government. Recent word from Des Moines, Iowa, gives further evidence of the seriousness of the situation. Within the past ten years the annual school levy of that city has increased from $917,000 to $2,990,000, as compared with the city tax levy of $1,173,000 in 1917 and $2,784,000 in 1926. Moreover the school levy is not as high as it should be because it does not make proper provision for the retirement of a large portion of the outstanding bonds. Practically all the Des Moines school bonds are of the term variety and no sinking fund is being accumulated to meet them when their payments fall due.

How many other cities are, in a similar manner, heading straight towards destruction? Evil practices of this kind have been dragged to light in city government and steps are being taken in many cities to place their bond practices on a sound and honest basis. Isn't it time that we demand the same honesty and sanity from our school boards?

✢

New York Regulates Night Life

All doubts as to whether New York City is really enjoying a reform administration have been removed by the passage of a local law requiring night clubs and cabarets to close at 3:00 A. M. Mayor Walker, whose presence at a night club no longer lends its distinction, became convinced by a first-hand study that workingmen on way to the day's job in the morning should not be compelled to gaze upon the idle rich in evening dress on way to bed. The closing law met unexpected opposition in the board of aldermen, some of whom saw no evil in continuing until daylight if the revelers felt like it.

But the reform instincts of one famous and picturesque alderman carried him even further than the Mayor. As if Mayor Walker's curfew bill did not contain worries enough for proprietors of cabarets, Alderman McGuinness has introduced a measure providing that no cabaret, restaurant or night club shall receive a license if it demands or accepts an admission fee or cover charge. Probably those who make regular business trips to New York City will favor this law, which however seems to have little chance of passage by the aldermen. Nevertheless no one can now charge that the eastern metropolis is completely and hopelessly depraved. The administration has accomplished the one outstanding reform promised, and the cabaret owners have this word of encouragement from a newspaper poet:

> "Hush, little night club, don't you cry.
> You'll be a day lunch, bye and bye."

✢

The Review Passes Another Anniversary

With this issue the NATIONAL MUNICIPAL REVIEW enters its sixteenth year. First published in 1912, it continued as a quarterly until 1919 when increasing prosperity and wealth of subject matter put it on a bi-monthly basis. Since May, 1919, it has been issued monthly.

The REVIEW was started in Mr. Woodruff's régime as secretary of the National Municipal League. He continued as the devoted editor until the decision was made to publish it monthly, when Richard S. Childs as a volunteer took charge of the editorial and major articles departments, Mr. Woodruff continuing to manage the publishing and editing the Notes and Events. The present incumbent took charge in April, 1920.

Space forbids mentioning the names of the many who by unselfish service from our earliest days have made the REVIEW possible. It is not read as widely as we should like. However, we are constrained to believe that it has been a direct and important influence in the improvement of municipal government during the last fifteen years. No book appears on the subject without repeated references to articles in our pages. This is being written two days before Christmas and the traditional mental attitude of the season is cheerfulness and optimism. So we may be forgiven if we state it as our belief that the REVIEW has been no mean accomplishment.

THE BISCAYNE BOULEVARD COMPETITION

BY DALE JAMES

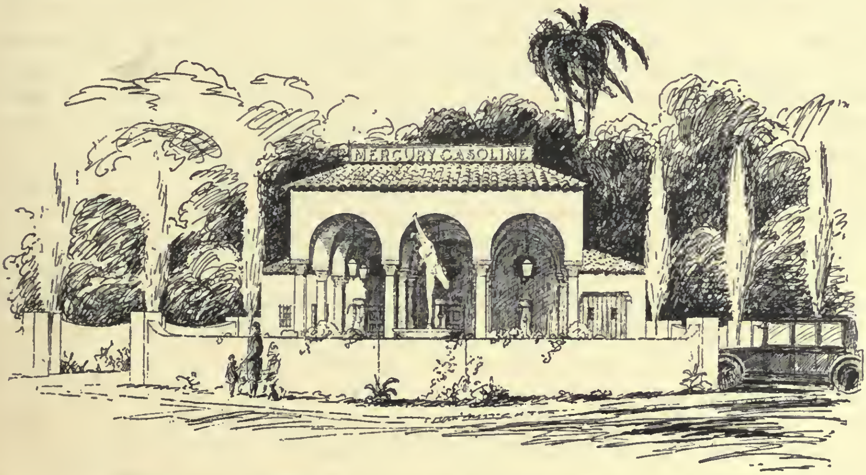
Secretary, Biscayne Boulevard Association, Miami, Florida

Because street lights, traffic signals and filling stations are useful, it is not necessary that they be ugly. :: :: :: :: ::

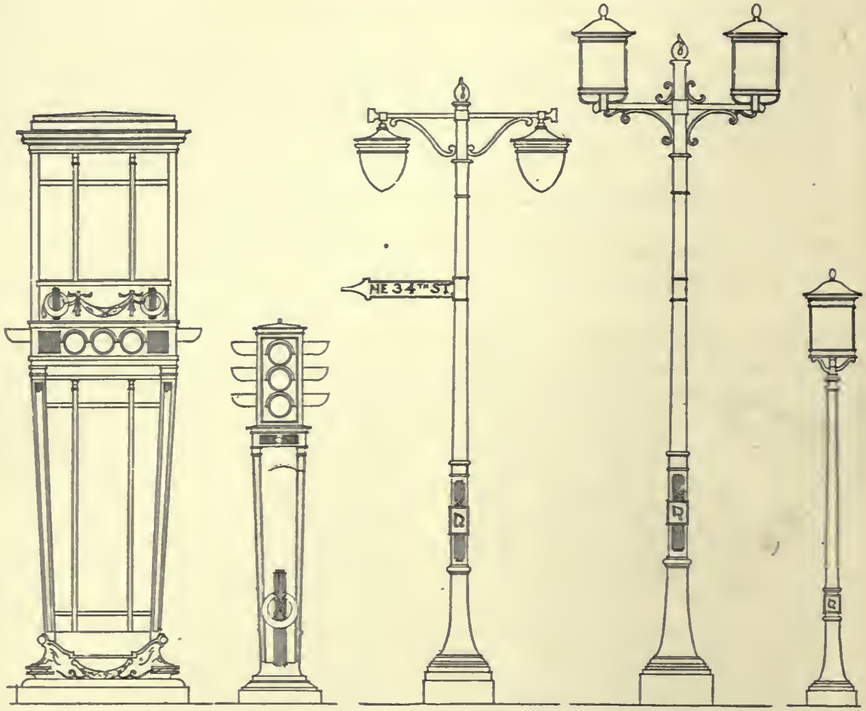
Biscayne Boulevard, cutting through fourteen improved city blocks and requiring the widening of a narrow street through nineteen improved blocks, is the most radical street improvement ever undertaken in Miami. When completed, it will furnish the city a new hundred-foot entrance street from the North extending from N. E. Fifty-fifth Street to S. E. Second Street, a distance of 3½ miles. It passes through fine residential and business sections and presents to the incoming motorist a sweeping view of bay, park, tall buildings and harbor. Its natural features indicate that it can be made one of the most beautiful streets in America. It consists of a 65-foot roadway with 17½-foot sidewalks and parkways, which will be planted with royal palms. At its southern end, where it skirts the new Bay Front park, it widens out to 230 feet, and in Miami Plaza, between Fortieth and Forty-fourth Streets, it is 180 feet wide with a central promenade. It will be opened to traffic early in January, 1927.

Recently a competition was held to determine the most satisfactory designs for street traffic signal and lighting standards, as well as for the best design of filling stations.

The jury of awards granted the first prize of $1,000 for street traffic signal and lighting standards to S. Grillo, New York. The first prize of $750 for a model filling station was awarded to H. Roy Kelley, Los Angeles, who also won the second prize of $600 for traffic and lighting standards. The



First Prize Design For Filling Station. By H. Roy Kelley



Some Prize Winning Traffic Signals and Light Standards

second prize of $400 for a filling station was awarded to Edgar Albright, New York.

The total number of awards and mentions in the two competitions was twenty, carrying prizes amounting to $4,650.

The jurors were Dwight James Baum, architect, New York, Elmer C. Jensen, architect, Chicago, and James H. Gilman, city commissioner, Miami.

The purpose of these competitions was both to obtain designs of high artistic value for Biscayne Boulevard and to stimulate general interest in better design of these structures than those now in general use.

The competitions produced a total of ninety-three designs coming from all sections of the United States and also from France, England and Germany. In the opinion of the jury, the competitions were highly successful, both in producing designs of outstanding beauty for its Boulevard, and as an important contribution toward the solution of the difficult problems of design with which they dwell.

The competition for a model filling station produced so many designs of merit that the Association believes they will be of general interest throughout the country and purposes to publish them in pamphlet form.

HOW BALTIMORE ENFORCES ACCURATE WEIGHTS AND MEASURES

BY S. T. GRIFFITH

Chief, Division of Weights and Measures, City of Baltimore

Each weighing and measuring device in the city is inspected at least twice a year. :: :: :: :: :: :: :: :: ::

To most people the work involved in the supervision of weighing and measuring instruments is only a vague theory, and the application of weights and measures laws of but little practical value. Most of us, so far as correct weighing and measuring is concerned, are "penny wise and pound foolish." We carefully count the pennies received in change, but pay little, if any, heed to the ounces, pounds or even scores of pounds that may be lost through the use of inaccurate instruments.

Honest weights and measures are in use in greater numbers in Baltimore today than ever before. Closer application of the laws affecting weighing and measuring, together with a more careful inspection of the instruments found in use, naturally has brought about a decided improvement in the condition of apparatus in the city. The use of correct scales and measures by housewives and the frequent checking of the weights of commodities purchased has increased materially during the past year. This is evidenced by the fewer complaints received from this source about improper weights. Such supervision by the housewives over their purchases is a most valuable aid to the division of weights and measures, — and this office strongly advocates and welcomes the use of its facilities to their widest capacity by all the people in their personal and family purchases.

Every purchaser should know how to read weighing and measuring devices and should make it a habit to do so, carefully noting the weight or quantity on the labels of all commodities sold in packages. The department can insist upon and enforce, to a great extent, compliance with the existing laws, but since a dishonest person can cheat with an accurate device, it behooves the public to aid and protect itself by taking the ordinary precaution of watching the weighing and measuring of any commodity purchased.

THREE CLASSES OF LAW VIOLATION

It has been our experience that violations of the law are caused by three factors.

First: Carelessness or Neglect.

This seems to be the greatest cause of all discrepancies found in weighing and measuring devices in the city of Baltimore, — one which, however, should submit to the corrective influence of continuous education of the buying and selling public to the necessity of accurate devices.

Second: Faulty or Worn-out Instruments.

This cause should be easily recognized by all concerned. Most machines used for other purposes indicate plainly in some way their inaccuracy and need of repair by refusing to perform the service required of them in a proper manner. But to the average owner of a weighing or measuring instrument, a scale is a scale, a pump is a pump, a weight is a weight, and a measure is a measure. He seems hardly ever to realize that any of them may need careful inspection; and if they continue to operate, no matter in what degree of efficiency, it is assumed that they must be correct. The need of better maintenance of small weighing and measuring devices is patent to anyone who has made even a most superficial investigation.

Third: Intentional Fraud.

When this office finds infractions of the law which may be classed under the head of the first factor enumerated above, corrective measures are taken immediately and the great success attending our efforts in this direction warrants a continuation of this policy. A written notice serves the ends of justice and usually produces the desired results.

When infractions fall under the head of the second classification, the instruments are condemned for repair, if possible, and confiscated if not.

When infractions fall under the third class, the only satisfactory recourse is to the courts of law.

It has been the policy of this office to enter into but few prosecutions, but *to Advise and Help*—though in no case has favor been shown to any particular person, firm or corporation, or to any particular type of instrument. Everyone connected with this department is instructed to get results in a dignified, courteous and efficient manner, in keeping with the policy of efficiency and economy of the city's administration.

190,000 INSTRUMENTS INSPECTED IN 1925

Under the present supervision, a closer inspection of all weighing and measuring devices has been inaugurated, and a more comprehensive and accurate record of the work maintained. A total of 29,348 official inspections were made in 1925 at the various stores, business establishments and market stalls in the city,—covering a total of 190,074 scales, liquid, linear and dry measures, pumps, etc. Of these, 181,229 were sealed, 2,282 were condemned for repair and afterwards retested for conformity with the legal standards of the city, 1,755 devices were confiscated and broken up and sold for junk. Included in this supervision are 930 special investigations or "surprise" inspections. In 1924, only 457 such inspections were made. These "surprise" investigations are made when a weighing or measuring device is found to be continually in need of adjustment so as to ascertain whether it is the fault of the instrument or of the owner.

Testing Gasoline Pumps

A great deal of relief from short weight packages put up by grocers and held in their stores awaiting sale has been achieved by a closer inspection of the "dead" weights, such as are used on grocery store counter scales. Exactly 489 of such weights were condemned and confiscated by this department in the past year.

Probably the greatest increase in inspections in the entire year was of self-measuring pumps at stores, filling stations and garages. About 100 per cent more inspections were made than ever before, resulting in about 100 per cent more condemnations. More than 300 per cent increase is shown in the number of adjustments made in pump inspections in 1925.

In testing gasoline pumps a complete battery of scientific Seraphin test measures is used, including the 1, 2, 3, 4 and 5-gallon measures. In this way the accuracy of pumps in Baltimore has probably been adjusted more closely than was ever known before.

A new departure in the work of the division of weights and measures was made in 1925, based on previous experience. This office found that inspectors of weights and measures were daily finding weighing and measuring devices in the city, which, although in a public place or in locations easily accessible to the public, yet were used partly or entirely for private or personal purposes.

To protect everyone concerned, these devices were marked with a tag warning the public that the device had not been tested and sealed as conforming with the legal standards of the city, and notifying the owner or user that it was unlawful to use said device for the sale of any commodity.

This also was done in case of weighing and measuring devices which were located in places of business which had been closed and which were then not engaged in buying and selling. Such instruments were tagged as above so that whenever they were again placed in operation it would be necessary for the owner or user to notify this office before the instrument could be lawfully used.

In this jurisdiction, we do not at present have any law requiring serialization of weighing and measuring devices, as is the case in many of the states throughout the country. Manufacturers knowing this apparently are prone to ship into Baltimore such instruments as may not pass elsewhere.

To protect the citizens of Baltimore from the possibility of inaccurate devices, all new instruments are required to take a full capacity test in conformity with the legal standards of the city. Unless an instrument will pass a full capacity test in this jurisdiction, it is not permitted in use, — but condemned.

EXHIBIT AND TESTING LABORATORY

A permanent exhibit has been set up in the laboratory of this division in which are displayed various types and designs of weighing and measuring instruments which will take the lawful test required. These weighing and measuring instruments are loaned to the city by the manufacturers, and embrace articles all the way from a gill liquid measure to the highest type computing scale and gasoline pump. This exhibit is open at all times to the public and affords an opportunity for those interested to actually see a weighing and measuring device that will take the standard inspection of Baltimore city. In this laboratory, bench tests of many types and classes of scales are made daily.

WACKER DRIVE

CHICAGO'S NEW TWO-LEVEL HIGHWAY

BY HUGH E. YOUNG

Engineer, Chicago Plan Commission

Wacker Drive, opened October 20, is a two-level street, three-fourths of a mile long, affording a by-pass around the congested loop. The lower level is used exclusively by heavy vehicles which move uninterrupted by cross traffic. Half the cost was met by special assessments and it is estimated that the increase in property value in the assessed district today is equal to six times the cost of the betterment. Old South Water Street, once a dingy thoroughfare with dingier buildings, is now a memory. :: :: :: :: :: :: :: :: :: ::

Wacker Drive has transformed old South Water Street into a fine highway of tremendous economic value to Chicago, and of profit to the city's treasury, plus a tremendous saving to the consumer. The development of Wacker Drive as a marginal thoroughfare following the river was forecast in the Plan of Chicago as part of the comprehensive scheme of upper level arteries extending along both sides of the Chicago river.

Definite plans were initiated by the Chicago plan commission in 1917. The necessary city ordinance was passed by the city council in June, 1922; the construction work was started by the board of local improvements October 1, 1924, and the improvement was completed in October, 1926.

Every Chicago Plan improvement is complete in itself, but all are so planned that each is a component part of the whole. One improvement dovetails into another. The new Wacker Drive is a wide, two-level, marginal thoroughfare extending three-quarters of a mile along the south bank of the Chicago river from the south plaza of the now famous Michigan Avenue bridge to the intersection of Market Street with Lake Street, the latter being an important avenue to the west side.

As the plan progresses, it is proposed to extend Wacker Drive eastward from Michigan Avenue to the shore of Lake Michigan, and southward from Lake Street along Market Street. The new drive, by virtue of its geographical position, has become the northern boundary of the inner quadrangle, and therefore the keystone in the street system of the Plan of Chicago.

The inner quadrangle in the Chicago Plan is approximately one square mile in extent, and is bounded by Michigan Avenue on the east, Wacker Drive on the north, Canal Street on the west, and Roosevelt Road on the south. Michigan Avenue is today Chicago's most important north-and-south thoroughfare; Canal Street is an important service street to the Union Station and the Chicago & Northwestern terminal; while Roosevelt Road, old Twelfth Street, is a great east-and-west thoroughfare, extending clear through the city from the western city limits to the lake front, at the site of the proposed new Illinois Central terminal, the Field Museum, Soldiers' Field and the Shedd Aquarium.

This quadrangle in itself has not only relieved the congestion upon downtown loop streets, but by forcing the former South Water Street produce market to move to a more economical and better adapted location, it has also freed street traffic on the north, south and west sides. The two factors together, the creation of the quadrangle and the removal of the produce market, have altogether produced a reduction of 41 per cent in the amount of traffic formerly upon loop streets.

The district between Halsted Street, the south branch of the Chicago river, Harrison Street and Roosevelt Road, which is about three-quarters of a mile southwest of Wacker Drive, is near twenty-seven freight yards and team tracks. It is of great importance that this district should have free and easy connection with the lake front boat and railroad terminal areas. Such a connection has been provided by the lower level street in Wacker Drive, which connection has already gone a long way toward enhancing the value of property in the west side terminal and warehouse and surrounding districts.

Wacker Drive, therefore, forms the northern boundary of a marginal traffic quadrangle encircling the loop, the commercial clearing yard for three million people, and the focus of a radial highway system extending throughout nearly two hundred square miles of thickly settled territory.

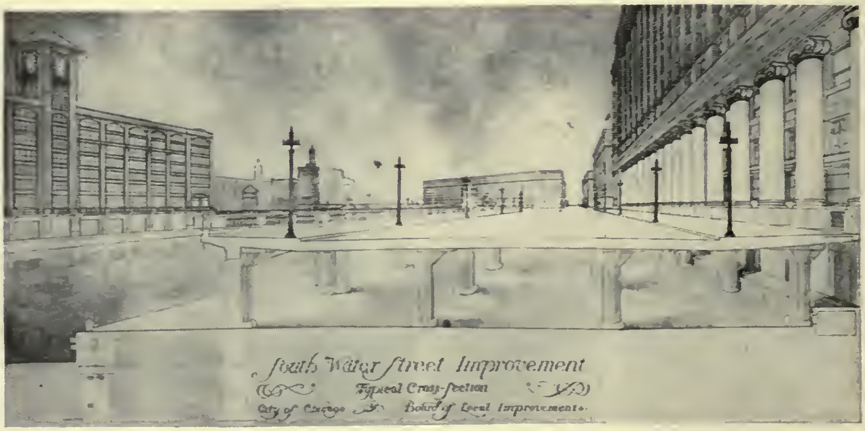
IMPORTANT FACTOR IN DISTRIBUTING TRAFFIC

Wacker Drive has become an important factor in distributing traffic to and from the loop, and has facilitated the movement of traffic throughout the entire city.

The low level of this thoroughfare will ultimately have nine connections with the normal street system. It has a six-lane freeway between Michigan Avenue and Market Street, and a twenty-five-foot wide dock space for marine landing. Over one-half mile of "back-in" space for trucks has been provided along the south building line, together with a combination sidewalk, loading platform and ventilating duct. Space is available for tunnel company stations, having a capacity of one thousand tons of freight per day. One such station has been proposed at the east plaza sector at the Wabash Avenue intersection, and another between Franklin and Market streets.

Air View of Wacker Drive Looking Toward Lake Michigan

Before the completion of this improvement, five thousand vehicular trips per day along Lake and Randolph streets conflicted with about three times this number in the north-and-south streets. Most of this traffic can now be handled by the lower level roadway of the new improvement. Freight originating on the west side reaches the railroad freight yards east


South Water Street Improvement
Typical Cross-section
City of Chicago Board of Local Improvements

Cross Section Showing Two-Level Street

of Michigan Avenue over the Lake Street and Randolph Street bridges, thence through the western portals of the lower level of Wacker Drive at Market Street and at the foot of the ramp along the river between Lake and Franklin streets.

When all the low level connections have been completed, loop and south side freight will enter the lower level at Holden Court, Garland Court, Federal Street and Fork Street, the mid-block entrances from Lake Street. Traffic originating in the manufacturing district north of the Chicago river, can cross the lower level of the Michigan Avenue double-deck bascule bridge, and turn at the south plaza into the lower level of Wacker Drive.

With the bulk of east-and-west traffic drawn through Wacker Drive, the congestion upon Randolph, Lake, Washington and Kinzie streets has been materially relieved, much to the advantage of these streets, and all north-and-south streets which they intersect.

The low level street in Wacker Drive has a capacity of over sixty thousand trucks per day. This trucking route has no cross traffic. Commercial vehicles can flow uninterruptedly between the lake front freight terminal area and the west side warehouse and south side terminal districts. A tremendous volume of business can daily take this by-pass around the loop, thereby saving time and money to the industrial and commercial interests of Chicago.

UPPER LEVEL STREET

A marginal drive, 110 feet wide, has been constructed at the level of the present bridge approaches. This upper level street connects with every north-and-south street, nine in number, that intersects it, and serves as a by-pass around the loop for through traffic between the west and north sides. It functions as a traffic distributor in that it will handle over one hundred thousand automobiles per day, that will enter and leave the loop by way of Michigan Avenue and La Salle Street, when the latter has been widened all the way to Lincoln Park.

This two-level improvement of old South Water Street has caused the removal of the produce market, and has taken sixteen thousand market vehicle trips per day off loop streets. By lessening cross traffic congestion and facilitating traffic movement on the streets immediately south of the river, this great street widening has materially benefited State Street, Dearborn Street, Clark Street, La Salle Street, Wells Street and Franklin Street. The congestion upon these various north-and-south streets was formerly so great that the only room for moving traffic was the narrow strip in the center of these streets occupied by the street car tracks, and even this area was constantly blocked by produce market vehicles.

PHYSICAL FEATURES OF THE IMPROVEMENT

The upper street has a seventy-two-foot wide roadway, a twenty-four-foot wide sidewalk on the south side of the street, and an eighteen-foot wide promenade extending along the river on the north side of Wacker Drive. The upper level is approximately twenty feet above city datum, conforming to the height of the various approaches to the bridges over the main channel of the Chicago river. This upper level is used by traffic of all kinds.

All north-and-south streets slope gently up to the upper level of Wacker Drive. The new improvement appears to be part of the regular street system. The fact that there are two thoroughfares, one above the other, is noticeable only from the river side. The upper level is carried on a reinforced concrete structure, with masonry walls along the river front. Along this wall, and bordering on the northern sidewalk, is a fine Bedford stone balustrade. Both the wall and the balustrade have received splendid architectural treatment in harmony with the Michigan Avenue structure. Arched openings along the river front provide light and air to the lower street, and connect it with the dock which extends the entire distance of the improvement. Artistically designed stairways at the bridge abutments connect the two levels at every north-and-south street.

LOWER LEVEL

The lower level was designed especially to provide heavy commercial traffic with a through street uninterrupted by cross traffic. It is constructed at an elevation of five feet above city datum, or at the present level of the docks along the river. The clearance between the upper and the lower levels is twelve feet and four inches. Ample connections between the upper and the lower streets are provided not

SHOWING BUILDINGS ON SOUTH WATER STREET DEMOLISHED TO MAKE WAY FOR WACKER DRIVE only at each end but also at strategic points midway.

The total cost of the improvement was approximately $22,000,000, of which amount about $8,727,000 was the estimate passed by the city council June 7, 1922, for construction; the remainder being to cover the cost of land and building condemnation, and damage to property by changing the grade of the street. Of this total cost about fifty per cent was paid by the city as a public benefit, the remainder being specially assessed on the property benefited by the improvement.

LEGAL FEATURES

Among the first difficulties to be overcome in making the Wacker Drive improvement were the existing special assessment laws and various court decisions. Not an inch more of land could be condemned for street purposes than could be shown was required for the improvement.

The ordinance drawings had to be made first, then the ordinances had to be drafted, and an estimate of cost prepared and approved by the engineer of the board of local improvements. After this had been done, these ordinances and estimates were presented to the board of local improvements, a date was set for a public hearing, and the hearing held. At that hearing a date was set for a second meeting, at which time changes could be made, if ordered by the board.

The board then submitted the ordinance and the drawings to the city council. From that date forward, there could be no change whatsoever in either the drawings, estimates, ordinance or specifications. They stood or fell as they were at that date. The Wacker Drive condemnation suit was in court over six months. During that entire period it was necessary to have one or more men assigned to the case all the time.

In the matter of spreading assessments, the law requires the appointment of three court commissioners whose duty it is to determine the area to be specially assessed, and the specific amount each piece of property within that area is damaged or benefited by the improvement. Their findings must be sustained before the court, and the law provides ample safeguards, so that no property owner can be made to pay one dollar more than the city can prove his property will be benefited. Thus every property owner whose property is taken or damaged is assured just treatment and receives fair compensation. The property that fronts on the improvement, naturally, pays the largest assessment for benefits, the amount becoming smaller and smaller the farther away property is from the line of the improvement. In view of the increased value of property that always results, it is plain that no real burdens have been caused by the special assessments, but on the contrary very great benefits have resulted.

PROPERTY VALUES HAVE INCREASED

Surrounding property values throughout a large area north, south, and west, as well as in the central business district, have been increased in a manner similar to the increase resulting from the Michigan Avenue improvement, which amounted to over one hundred million dollars. The improvement materially increased the value of property not only fronting upon the street itself, but also on side and parallel streets throughout a wide area. It has been estimated that the total increase in the value of property in the assessed district today amounts to more than six times the total cost of the betterment.

BARGE LANDING AND STORAGE FACILITIES

The Wacker Drive improvement was planned to provide the best facilities for truck and motor vehicle traffic for local district freight delivery, and for normal street traffic, at the same time permitting the proper development of abutting property and the future extension of the two-level street project. It was also planned to provide for barge and lighter freight, and it is entirely practicable, if the city should so elect, to develop the lower level of Wacker Drive so that it can function in this respect.

Continuous frontage is provided along the river front, adapted to barge freight, when the Chicago river shall have been developed for this purpose. It is impossible to anticipate now exactly what form of marine traffic will ultimately develop. However, the Wacker Drive improvement is admirably well fitted for whatever type may come, for the following reasons:

It has wharfage, between the Michigan Avenue and the Lake Street bridges, amounting in actual length after deducting the space occupied by bridge abutments to 2,725 lineal feet. It has a dock area for marine landing of 64,000 square feet. The dock level in the east plaza sector may become an extremely valuable adjunct to future barge service in providing storage area such as is required in marine transit houses. The total floor area at the dock level amounts to 65,000 square feet. The total storage area under cover amounts to 71,000 square feet. The total landing area is 64,000 square feet, and the total area for both marine landing and storage is 135,000 square feet.

The entire river front appears to have great potential worth as a local distributor. No one can determine today how valuable it may become in the future when inland waterways have been developed for barges and lake routes for deep sea vessels. In either event Wacker Drive has been so constructed that the lower level can be used as a point of consignment for barge freight from the river, or it may develop a system of purely local district lighterage, the usefulness of which as a city transport facility will at least appear in the removal of an equivalent tonnage from the city streets.

James & Merrchew

Ex-President Henry Suzzalo

Believes that education is the fourth department of government co-equal with executive branch

Keystone View Co.

Governor Roland H. Hartley

Claims right to supervise the State University, on par with other administrative departments

HIGHER EDUCATION IN THE COCKPIT—IS THE STATE UNIVERSITY PART OF THE GOVERNMENT?

BY CHESTER C. MAXEY

Whitman College

Dismissal of President Suzzalo of the University of Washington leads to a movement to recall Governor Hartley and raises important questions as to the relation of a state university to the administrative organization of the government. :: :: :: :: :: ::

No controversy can reach the proportions of the Hartley-Suzzalo affair in the state of Washington without involving numerous elements and angles that no one person, no matter how impartial and well informed, can pretend to know and understand thoroughly. The immediate cause of the upheaval, which has resulted in a movement to recall Governor Roland H. Hartley and in an equally spontaneous and vigorous movement to sustain him, was the sudden dismissal early in October of the well-known president of the University of Washington by a Hartley-picked board of regents.

DISMISSAL NOT UNEXPECTED

At the moment it appeared to be a sudden and summary execution without notice or hearing, but in reality it was not quite that bad. Certainly the removal could not have been entirely unforeseen by President Suzzalo and his friends, and it is clear that it was not wholly unexpected by the supporters of the governor. As a matter of fact the relations between the governor and the former president of the state university have approached armed neutrality, not to say open hostility, ever since Governor Hartley took office two years ago, and this fact was well advertised throughout the state. Governor Hartley, during these two years, not only has denounced Dr. Suzzalo openly, but has taken pains to purge the board of regents of practically all persons not in sympathy with his own views. Dr. Suzzalo, for his part, did not indulge in direct attacks upon the governor, but persons known to be *en rapport* with him did do so, and it was assumed by the adherents of Governor Hartley that these attacks had Dr. Suzzalo's approval if they did not result from his active connivance.

BOTH SIDES HURL CHARGES

Some idea of the nature of this controversy which is convulsing the Evergreen State as nothing in its previous history has done may be gathered from the principal charges which are being hurled back and forth between the two camps. I do not think, however, that any two persons could be brought to agree that these embody all the issues or disclose all of the real causes.

In behalf of Dr. Suzzalo the following are the main contentions advanced:

1. That Governor Hartley is an enemy of public education, especially of higher education, and that he is bent upon the ruin of the state university.

2. That the animosity of Governor Hartley toward Dr. Suzzalo is based upon personal spite far antedating his election as governor. The specific charge is that the governor has been a sworn enemy of Dr. Suzzalo ever since the latter as director of defense during the war forced the adoption of the eight-hour day in logging camps. The governor, who is an extensive logging operator, is said to have been bitterly opposed to the eight-hour day, and to have vowed revenge upon Dr. Suzzalo.

3. That Governor Hartley is an intolerable autocrat who is determined to run everything in the state by personal fiat, for which reason he is endeavoring to build up a retinue of sycophants in all the state institutions.

The case for the governor is presented substantially as follows:

1. That Dr. Suzzalo is an over-ambitious educational politician who has abused his position by building up a pernicious machine which has been used not only to bring pressure upon the legislature in matters pertaining to the university but also to meddle in many other spheres of political activity.

2. That there has been laxity in the financial management of the university under Dr. Suzzalo's administration.

3. That the removal of Dr. Suzzalo was justified by his persistent opposition to the governor's policy of putting the university upon a strictly budgetary basis. Under the former arrangements the university had received grants in lump sum which it could spend without real accountability to any authority other than its own board of regents. The partizans of the governor contend that Dr. Suzzalo, through his political activities, had been able to build up a complaisant board of regents; and that Governor Hartley, who under the new administrative code is made responsible for the financial policy of the state and who was bound by his campaign pledges to institute drastic economies, was reluctantly obliged to replace the hold-over regents

and ultimately to remove Dr. Suzzalo himself in order to obtain honest coöperation in his budgetary program.

In addition to these major points there are various incidental and collateral controversies which, though not particularly relevant, are bound to have much to do with the formation of public opinion. For example, the supporters of Dr. Suzzalo argue that he is a famous educator—some of his most ecstatic admirers pronounce him the greatest educator in the United States today—and that he has made a tremendous sacrifice in remaining at the University of Washington on a salary of $18,000 a year when he could have gone to the University of Pittsburgh at $25,000 a year. The Hartley people meet this by producing "authentic" documents to show that Dr. Suzzalo never actually had a $25,000 offer from the University of Pittsburgh, and the Suzzalo people reply with other "authentic" documents designed to show that he did. The Hartley supporters argue and assert that the fight against the governor is engineered and backed by certain corrupt timber interests which are endeavoring to strike back at the governor because he put an end to their graft of purchasing timber lands from the state at scandalously low figures, and that Dr. Suzzalo and his machine, if not in league with these interests, are enjoying their aid and comfort and are being used as a smoke-screen to cover the true nature of the attack upon the governor. The friends of Dr. Suzzalo meet this by denial *in toto*, and counter with the assertion that the governor himself has ulterior motives in trying to get control of all the state institutions.

RELATION OF STATE UNIVERSITY TO THE GOVERNMENT

To a neutral observer, interested both in state politics and higher education, this unfortunate imbroglio seems to involve at least one issue of more than local significance. Dr. Suzzalo is a brilliant, aggressive, and extraordinarily able man whose conception of the position of education in state government is well exemplified by an illuminating remark which he made in connection with a recent speech in the city of Spokane. "Education," said he, "is the fourth great department of the state. When the constitution was written and the government divided into the legislative, the judiciary, and the executive branches, the great system of education was not visioned." Governor Hartley, on the other hand, is a self-made business man whose ample fortune sufficiently attests his financial shrewdness and executive ability; and in common with all other men of his type he has a passion for centralization.

Now in every state of the Union during the past quarter-century there has been a remarkable exaltation of education, particularly of higher education; and at the same time there has been an equally striking movement for the centralization of responsibility in the organization and administration of state government. When, therefore, the educational headship of the state gravitates into the hands of one positive and uncompromising character and the political headship of the state comes into the grasp of another positive and uncompromising character and these two powerful and strong-willed persons disagree, something is bound to happen. In the state of Washington that something has happened, and the Hartley-Suzzalo rumpus is the result. The same thing is likely to happen in any other state.

SERIOUS THOUGHT NEEDED

Is it not high time that we give serious thought to the problem of higher education at public expense? Is it true that our state systems of higher education are largely the result of forced growth accomplished through the endeavors of politico-educationists who are skilled masters of the arts of lobbying and promotion? And is it true that the most notable results of this mushroom development are more students, more buildings, inferior teachers, better football teams, and higher taxes? Or, have we reached a point in civilization where we are ready to agree that a college education is the birthright of every person born into the world, and, if so, are we willing to bend our backs under the ever growing financial burden of higher education? And finally, are we ready to concede to education that coördinate and independent position in the sphere of government which it seems about to demand. These are some of the questions which the people of the several states must answer before they can expect to have an intelligent policy with reference to higher education.

While the Hartley-Suzzalo row does not directly involve any one of these questions, it is not too much to say that they are all latently involved in it, and that the attitude of the people of Washington with respect to these questions will be greatly influenced by the outcome of the present upheaval.

However that may be, it seems clear that there can be no permanent peace in Washington until both captains are removed from the arena. If the recall movement against Governor Hartley should succeed and Dr. Suzzalo should thereupon be restored to the presidency of the state university, it would simply mark the beginning of a campaign of revenge which would keep the university in politics as long as Dr. Suzzalo should remain in office. On the other hand, if the recall should fail, the Suzzalo party would not surrender or even slacken its efforts to cripple the Hartley administration. Plenty of money and plenty of prominent citizens are to be found on both sides, and it looks like a fight to the finish. Meanwhile the honest well-wishers of the university would do well to remember it in their prayers, for it is in desperate need of extreme unction.

THE INTERNATIONAL HOUSING AND TOWN PLANNING CONGRESS AT VIENNA

BY HARLEAN JAMES

Secretary, American Civic Association

The trend in Europe is toward a more severe control of land and buildings than in the United States. :: :: :: :: ::

The International Housing and Town Planning Congress, which met at Vienna September 14–19, was attended by some 1200 delegates from twenty-five countries.

The printed papers prepared for the Congress form a most valuable compendium of information concerning the laws and methods of procedure used in the principal European cities to control land development and housing.

GOVERNMENT HOUSING

For good or ill, for better or worse, European cities were forced into government housing, both the countries which participated in the War and those which did not. The financing plans by which the state and municipality have aided housing schemes vary in detail. There seem, however, to be two outstanding results:

1. The expenditure of public funds in housing has been more than a physical investment in land and houses. It has been a definite investment in citizenship through improved living conditions at a time when private capital could not realize economic returns from rents or purchase prices which the occupants could pay.
2. The expenditure of public money in housing schemes has given into the hands of the states and the municipalities undisputed control of the location, layout and treatment of the sites of subdivisions.

Europe, quite naturally, is preoccupied with the methods of administering government housing schemes, and the papers of the Congress reflect this interest and preoccupation. While the United States seems quite definitely committed to private enterprise for the furnishing of habitations, there prevails in Europe a fairly general opinion that those cities which own their houses and lands outright will continue in the housing business. Where the houses are being sold instead of rented the supposition is that the titles will ultimately pass to private individuals and that both city and state will gradually work their way out of the housing business, albeit with losses, more or less heavy, to be charged to taxation.

The Americans could, and did, learn many incidental lessons from European housing, but since government housing is not practiced or contemplated in this country, they were not in a position to profit greatly from the rather complicated financing schemes described. The differences in living customs have produced house plans that would not serve the people of this country.

LAND CONTROL

American cities have been permitted to purchase land only for quite specific public purposes. Housing and farming are not accepted as public purposes in the United States. In European cities for many years, and particularly since the War, large areas of land have been purchased for uses other than for public streets, parks, playgrounds or public building sites. The city of Vienna owns about one-quarter of its total area. Many European cities, also, are zoning as agricultural, areas of land in private ownership which it is believed should not be covered with houses in the interests of the public welfare of the entire population.

This raises the question as to whether in the United States some method should be found to hold permanently open spaces around cities in excess of those definitely in public ownership. Cemeteries, country clubs and private estates often do remain open for long periods; but if the outward push of the city induces increase in land values, the pressure is apt to bring about the subdivision of these open spaces. It was clear that most of the European delegates believed that the zoning of certain private lands for agricultural or other open uses, served as a valuable supplement to publicly-owned lands.

HEIGHT LIMITS

In general, height limits of buildings for business and residence purposes are much more strict than in the United States. But, here and there, in some cities, skyscrapers are rearing their conspicuous heads. The planners of Europe are awake to the evils of congestion of population and the crowding of streets with traffic as automobiles become more used. In Europe there are more adequate methods for land control than we have yet developed in the United States. But for all that, European cities are not entirely free from the dangers and evils of land crowding.

THE CONGRESS

The officers of the Federation for Town and Country Planning and Garden Cities, the officials of Vienna who superintended the local arrangements, and the German Garden City Association which conducted the ten-day German tour following the Congress, provided for the delegates most unusual and interesting facilities for inspecting the offices and work of planning departments and for seeing modern city planning principles applied to cities of mediaeval origin.

ENGLISH CIVIL SERVICE SHOWS INCREASING FAITH IN COMPETITIVE EXAMINATIONS

BY CLINTON ROGERS WOODRUFF

Some brief observations based on Mr. Woodruff's recent visit to England. :: :: :: :: :: :: :: :: :: ::

When one speaks of the civil service in England he means the employees of the national or, as we would say, the federal service. The employees of the cities and county councils are referred to there as the municipal service. When we speak of the civil service we mean all the civil employees of all the government units.

Bearing this distinction in mind the merit system applies generally, or perhaps I should say universally in the British Government. All the permanent employees of the Government are upon a strict merit basis. On the other hand the municipal service is by no means generally or universally on the merit basis, although each year sees substantial extensions. There is no compulsion on the part of the cities or county councils to establish it, but as functions multiply and as the pressure of the importance of the service increases we find that the number of cities applying it voluntarily, and in perfect good faith, is constantly increasing. Organizations like N. A. L. G. O.[1] of course definitely and actively advocate its extension.

FAITH IN COMPETITIVE EXAMINATIONS

Another important point to be noted is the growing belief in the general efficacy of the competitive examination. As Sir Theodore Morison, vice chancellor of the University of Durham, has pointed out, the greatness of the national civil service dates from "the day on which a competitive examination was made the portal for admission. There are many theoretical arguments against recruitment by competitive examination. A written examination, it is said, is no test of character, and character in an administrator is at least as important as intellect. These hypothetical objections are of little weight when balanced against the testimony of experience. Considered objectively, as a mere matter of history, competitive examinations have given results immeasurably superior to any other form of recruitment for public service."

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[1] The National Association of Local Government Officers.

Sir Theodore declares that competitive examinations are only educational tests of great stringency, and "that is why, if we would be guided by the experience of Whitehall, we should aim at the imposition of educational tests for the recruitment of the municipal service. There are many difficulties in the way of imposing adequate educational tests at the present moment; but our business here is to look into the future and to frame a policy which will give to the activities of those interested in creating a tradition for the municipal service a definite objective."

In a recent address he pointed out that "if public opinion upon the importance of the municipal civil service matures rapidly, it may soon be possible to adopt a competitive examination based on the standard of the Higher School Certificate as the regular method of recruitment. To make that possible the county councils would have to pool their appointments as do the departments at Whitehall. Each council would inform a central authority, preferably the civil service commissioner in Burlington Gardens, how many vacancies, if any, it proposed to fill in the current year. The civil service commissioner would notify the total number of vacancies in the municipal civil service to be competed for and publish the date of the examination. The successful candidates would choose in rotation the council under which they wished to serve. This method of recruitment would give the county councils a far better type of candidates than they could hope to secure by separate appointment. Experience shows that to bring together for any service a good field of candidates two conditions must be satisfied.

"(1) The competition must take place every year at a known date.

"(2) The competition must coincide with the termination of a stage in the scholastic career. Roughly speaking, this means in England that the ages for admission to the different services or employments should be so fixed as to attract candidates just after they have passed either (a) the School Leaving Certificate Examination, (b) the Higher School Certificate, or (c) have taken their degree at a University.

"It would be desirable, therefore, that candidates for the municipal civil service should be between the ages of 18 and 20 when they sit for the competitive examination."

This represents the enlightened opinion of England on the subject of the merit system and upon the efficacy of the competitive examinations. It also illustrates the fact that the tendency in England is to make public work a self-supporting, honorable career and opens the door to it at the very outset of a man or woman's life.

THE METROPOLITAN POLICE—THE PRIDE OF ENGLAND

Now a word as to the Metropolitan police. A candidate for the police service, in addition to the usual medical examination, is required to pass tests in arithmetic and dictation, and to satisfy the selection committee as to his general intelligence. On the satisfactory completion of these preliminaries, he is sent to the training school, where he undergoes a course of instruction, after which he is tested as to the knowledge he has acquired of police duties. If he satisfies the examiners in this respect, he is posted for duty to a division, where he is on probation for a year. During that time he is again tested, firstly, after three months, by his superintendent and finally, after six months, by the selection committee. No officer is confirmed in his appointment until these examinations have been passed.

The oral portion of the examination consists of questions from the instruction book, which is issued to every officer on joining the force and covers the whole field of police activity.

Promotion is by selection, and candidates are required to undergo examinations (1) as to their educational attainments, by the civil service commission—which is a separate government department for all kinds of official examination; (2) as to police duties by a departmental board.

This presents rather a striking contrast to Philadelphia where a very excellent training school was abolished by General Butler at the very outset of his administration. Now our men in Philadelphia are put right to work on the street and often in what is popularly known as "the vice squad."

Today the English policeman must be, as one of the leading London papers said, a man of education if he is to get on in the force. He must know, it is pointed out, something about protocols, Marie Corelli, anthracite stoves, and many other diverse subjects.

First he must pass an ordinary educational test before he can be admitted to the force. After that, he can sit as soon as he likes for his second-class certificate, which covers any promotion he may win up to the rank of station sergeant. When he has served four years he must gain a first-class certificate before he can win further promotion.

Here are some of the "general knowledge" questions of a first-class paper:

"Map out a practicable day's sightseeing in London for an American who has never been in London and who wishes to see places and sights connected with the history of London and of England.

"By what characteristics of appearance or speech or dress or manner do you think you could tell an American, an Australian, a Frenchman, an Indian, in a London street?

"What do you know about the Washington Agreement, the Fascisti, and the Geneva Protocol?"

Here are some of the questions asked those sitting for the second class.

"What are the advantages and disadvantages of an anthracite stove compared with an open fire?

"What precautions should be taken to prevent any injurious effects on health from the heat during the spell of hot weather?

"Write short notes on any three of the following: Lord Allenby, Mr. J. H. Thomas, Mark Twain, Signor Mussolini, Marie Corelli, Jack Dempsey, M. Trotsky.

"Give instances to show how the cost of living has risen in the last ten years or so. State briefly the main reasons for the rise."

Composition, handwriting, arithmetic, and geography are the other subjects in both examinations. That psychology is not neglected is shown by one of the composition subjects set for the higher examination. It is: "Is there any truth in the statement that the criminal is born not made? Illustrate as far as you can from your own experience."

And what is the result? A police force that is the pride of England and which went through a general strike unarmed (except for their night sticks) and without a casualty.

Surely we have something to learn from our English cousins.

A FEDERATED GOVERNMENT FOR GREATER MONTREAL

BY FREDERICK WRIGHT
Former Editor, Canadian Municipal Journal

A modified form of the London County Council System is proposed for Montreal. :: :: :: :: :: :: :: :: ::

THE article by Mr. Paul Studensky, in the September issue of the NATIONAL MUNICIPAL REVIEW on a "Federated Government for Pittsburgh and Vicinity," will prove of great interest to students of municipal government, especially at the present moment when throughout the North American continent there is a growing sense of dissatisfaction with the loose responsibility now governing large urban areas. Already there are discussions afoot showing the possibility and desirability of certain of the larger cities—such as New York and Chicago with their environs—becoming separate political entities or city-states; the principal reasons advanced being the continual warfare between urban and rural districts, and the supposed undue influence exercised by rural members of state legislatures in legislation pertaining only to those large urban centers. In this respect the larger Canadian cities, such as Montreal, Toronto and Winnipeg, are in the same position in their respective provinces, though they are not under the same difficulties as beset a large metropolitan district like New York which is located in three separate states, and consequently under three separate superior authorities, each one jealous not only of its powers to legislate for but to supervise the administration of that part of the commercial metropolis located within its jurisdiction.

Such a situation is an anomoly, to say the least, but will the problem of the government of large urban centers be solved by simply raising their status to that of a state or a province? Both in the United States and Canada the only authority that any municipality enjoys is that which is delegated to it by the legislature; this being the only power having the right to create and control municipalities. And perhaps this is as it should be, for without well defined checks, there is always in any democratic country the extreme danger that a powerful city in its aggressive development will absorb without leave or destroy its smaller neighbors. Such a course would be absolutely opposed to one of the basic principles of municipal government—the preservation of the character and self-respect of each community, however small.

In recognition of this principle the whole of the County of London (excluding the city) was in 1899 divided into twenty-eight metropolitan boroughs, with self government in purely local affairs; the county authority, which had been established ten years earlier, retaining administrative control over certain main services and supervision over the general finances of the whole metropolitan area of London. This preservation of local government in each municipal unit has been the principal factor in making the administration of greater London the success it is; and because in the proposed plan for the government of greater Pittsburgh this same principle is fully recognized, there is every hope for its success.

PRESENT METROPOLITAN COMMISSION

The city of Montreal is confronted by a problem similar to that of Pittsburgh. For some time, a scheme of borough government to cover the city and the surrounding municipalities has been under consideration. This scheme, which possesses a number of features similar to the Pittsburgh plan, is based on the same principles underlying the Montreal Metropolitan Commission, which came into being in 1921.

Established primarily to protect certain small municipalities adjacent to the city of Montreal which had fallen into financial difficulties, this authority has, by capable management and wise supervision over the finances of the sixteen municipalities under its control, so strengthened its position in the confidence of those who should know that men who at first were prone to criticise its value now see that the promoters of the commission exercised great wisdom. Inasmuch as not only are the delinquent municipalities being gradually put upon their feet financially, but the axiom of autonomous decentralization in municipal administration has been maintained. The remarkable success of the Montreal commission, composed of representatives of the provincial government, the city of Montreal, and the other fifteen interested municipalities, has opened the eyes of the authorities and students of municipal government to the value of the borough system of government for a large metropolitan area like Montreal, as against the unwieldy system of wholesale annexation.

A CENTRAL AUTHORITY WITH SIXTEEN BOROUGHS

In passing one might say that the credit for the Montreal Metropolitan Commission is due very largely to Mayor Beaubien of Outremont, president of the Union of Quebec Municipalities, Mayor McLagan of Westmount, and Mayor Ballantyne of Montreal West. With the able assistance of the secretary-treasurers of their respective municipalities Messrs. E. T. Sampson, now secretary of the Metropolitan Commission, A. T. Bell and F. Fraser, these gentlemen have devised a scheme which many consider to be almost a perfect form of government for the financial control of a metropolitan district.

For the government of Greater Montreal it is suggested:

> That each of the sixteen municipalities (including the city of Montreal) now forming part of the area under the control of the Montreal Metropolitan Commission should become a borough of a central authority.
>
> That the council of the central authority be composed of representatives of each of the boroughs in proportion to the taxable values or population, or both.
>
> That the central authority take over all the powers and duties of the Metropolitan Commission.
>
> That the central council be endowed, in addition, with the powers and duties of the present municipalities in regard to water supply, main highways, main drainage and sewage, transport, town planning, hospitals, and metropolitan police.
>
> That the central council exercise an approving supervision over local by-laws concerning house drainage, sanitation, construction of buildings, markets and loans.

The above outline is a modified form of the London County Council system; one main difference being that, whereas election to the London body is by direct vote of the electors, in the one suggested for Montreal the local councils would select the members of the central council, just as is being done today in the case of the Metropolitan Commission. Under this proposed system, while every part of the metropolitan district of Montreal would be under proper supervision and control, the separate units would have the greatest freedom in conducting their own home affairs, while enjoying the advantages of the public services of a large urban area, in the control of which the local councils would have a voice. In other words, such a system is a happy combination of centralized administration and local government, a consummation greatly to be desired in these days of materialism even in municipal affairs.

It must not be forgotten that municipal government is essentially personal government. That is to say, it is something more than mere business—it is the spirit of civic pride, innate in every citizen worthy of the name, finding its expression in civic achievement through voluntary effort. As we get away from this standard, municipal government deteriorates. The borough system of autonomous local units, coöperating one with the other in public services common to all, is in keeping with all that is best in civic government. But large centralized municipal government units, with no local autonomy, can only end in extravagance and maladministration.

RECENT BOOKS REVIEWED

Municipal Handbook for Fifth and Sixth Class Cities. By William J. Locke. San Francisco: League of California Municipalities. 1926. Pp. 316.

This volume compiled by the executive secretary of the League of California Municipalities is intended to serve as a guide for public officials in the smaller cities of that state. The first part of the book contains extracts of provisions from the state constitution which affect city government; explains the process whereby a community may become incorporated as a city and outlines the three general forms of municipal organization. Then follows the text of the statutes governing fifth and sixth class cities, together with detailed notes from court decisions interpreting each section.

The author next explains the steps which should be taken by cities in obtaining a charter under the home rule provision of the constitution and there is also presented a "model city charter" providing for the city-manager plan. The value of the "model charter" is increased by editorial notes explaining the reasons for and the advantages of each provision and also commenting on the way in which certain of the provisions have actually worked in specific cities. For example, following the clause which prohibits members of the council from interfering with the city manager there appear these words of advice:

> This is one of the most important provisions of the city-manager charter. Councilmen who attempt to dictate appointments or tell the manager where to make his purchases thereby violate the fundamental principle of this system of government. A manager cannot be held accountable for failure unless he is given a free hand. There can be no responsibility without complete authority.
>
> Members of a city council who are sincerely desirous of securing the most efficient government for their city should respect this provision strictly and tell their friends who beseech them for appointment or employment that these matters are entirely out of their jurisdiction. The success of the city-manager form of government depends in a very large degree on the strict observance of this principle.
>
> For similar reasons the manager must confine his activities strictly to matters of administration and not interfere or concern himself with the election of councilmen. The strict observance of this provision is the best furtherance of good government.

In the latter half of the book are found copies of the statutes regulating municipal elections in California, a standard form of budget for a small city, a summary of the main points in Mr. A. E. Buck's *Municipal Budgets and Budget Making* published by the National Municipal League, a brief manual of accounting, extracts from the state health laws, model specifications for paving and other public improvements, definitions of words and phrases frequently used in municipal administration with references to the general laws of California, and to McQuillan's *Law of Municipal Corporations* for further information, and a carefully arranged summary of recent court decisions of interest to city officials.

One leaves this useful hand book with the feeling that municipal government would be greatly improved if public officials in every city of the land could have access to a similar volume dealing with their respective states.

A. C. Hanford.

Harvard University.

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Petit Dictionnaire de Droit Municipal à l'usage des Maires, Adjoints, Conseillers Municipaux et cetera. By Maurice Felix with the assistance of Marcel Aragon, Lucien Valette and others. Paris: Librarie Dalloz. 1926. Pp. 836.

It is in the department of the Seine that are to be found the most rapidly growing cities of France and, consequently the most active expansion of municipal functions. The officials of the Prefecture of the Seine, therefore, are daily required to apply the laws relating to municipal government to numerous activities of the most varied kind. The objectivity of this excellent and useful work is doubtless due to the fact that its principal author is subdirector of communes in the prefecture and his colleagues mostly functionaires of the same great office. They have avoided the discussion of matters purely theoretical and concerned themselves only with the analysis of solutions consecrated by the jurisprudence of the ministries or the supreme authority of the council of state, the court of cassation and the court of accounts.

The work is intended, not for lawyers, but for city officials, particularly, it must be supposed, the officials of small cities. It is everywhere concise and direct. The language is simple as befits the non-professional character of a large part of the audience to which it is addressed. Herein lies the chief element of its usefulness for American readers upon whom the detailed and often highly theoretical discussions of the longer works of the same sort are almost wholly lost. The authors have avoided, as far as possible, the use of technical terms. The work is therefore, easy reading for even an indifferent student of French.

The work is comprehensive, covering a multitude of subjects from Abbatoirs to Voirie. Among the more significant titles are Alignement (establishment of street lines); Assistance (poor relief in several aspects); Budget Communal; Comptabilité (accounting); Conseil Municipal (city council); Election des Conseillers Municipaux (election of city councillors); Expropriation (condemnation for public use); Habitations à bon marché (workmen's dwellings); Hopitaux et Hospices (hospitals and almshouses); Liste Electorale (registration of voters); Maire (mayor); Octroi (taxes on food, etc., brought into city); Syndicat de Communes (unions of communes for particular purposes); Travaux Publies Communaux (communal public works).

Considering the area covered, the "Little Dictionary" is very brief. It furnishes the best easily accessible body of information on the legal aspects of French city government. One can only regret that, with forty-eight separate sources of laws relating to municipalities, we can never have such a manageable compendium for the use of American city officials.

Thomas H. Reed.

University of Michigan.

✢

Party Campaign Funds. By James K. Pollock, Jr. New York: Alfred A. Knopf, Inc. 1926. Pp. 307.

A study of campaign funds in the whole arena of American politics is a plentifully ambitious project. The chances of success in any undertaking are apt to be proportioned to the dimensions of the task. Had Dr. Wooddy in his volume, reviewed elsewhere in this issue, assayed to write on the relation of business to politics in the Chicago primary, far less success would have crowned his efforts. Dr. Pollock chose the broadest possible scope for his enterprise. Perhaps, it would not therefore be unfair to measure his results by his own ambitions.

The book suffers from a further limitation. While it is impossible to the author to go behind the returns, the returns in this instance are not worth anything. Frank Kent summed the situation in 1923, "No law has yet been enacted through which the politicians cannot drive a four-horse team." But our author does not get to this conclusion until he is within seven pages of the end of his book. With laudable diligence he has written and traveled about collecting the filed statements of receipts and expenditures, but the returns, though he got what there were, are all but useless. A few of his assertions seem to the reviewer questionable, as for example, that *most* of the money used in Philadelphia comes from assessments. The reviewer is inclined to believe, on the basis of some acquaintance with politics, that a great deal of the "pickings" of politics consists in funds collected from business, legitimate and illegitimate.

Our author has some rather keen things to say against the proposition that campaign expenses be assumed by the public treasury, but perhaps he has not said the last word on this. And when he accepts at full face value the public statement of a candidate for the presidency that "no individual or group of individuals may expect any governmental favors in return for party assistance," and "whatever one gives must be given for the common good or not at all," and that "contributions will not be received on any other basis" (p. 131), he seems astonishingly naīve.

It would be unfair to ask our author to tell us the facts about campaign funds. His was a self-imposed task. The subject remains, and must for some time remain, *terra incognita*.

A most useful feature of the book is a tabular summary of state legislation relating to campaign funds.

Joseph McGoldrick.

✢

The Chicago Primary of 1926. By Carroll Hill Wooddy. Chicago: University of Chicago Press. 1926. Pp. 299.

This engaging little volume, admittedly a thesis but none the worse for that, was prepared by a young scholar who came as a stranger to Chicago from the west coast and is now studying abroad. Such a youthful stranger had, however, at his disposal the full recollections and sage experience of Professors Leonard D. White and

Charles E. Merriam, the latter once an alderman and almost elected mayor in 1911. There are passages which, without any reflection upon the author, seem to have been all but written by his politician-professor adviser. While this ample background of his counsellors saved the author from many a blunder and greatly enhanced the interest of the book, it in no wise detracts from the author's work. His interest was not so much in the *milieu* in which the primary campaign was placed as in the methods of that campaign. About two-thirds of the space is devoted to a lively description of the campaign. It is political narrative of the best sort, worthy to rank with Gosnell's excellent *Boss Platt*.

To the reviewer it would seem fair, however, to ask a little more. The author slows up distinctly when he proceeds to analysis. His discussion at the outset of the spoils at stake in the campaign, and his later summary of the defects of the primary system in operation is good, though there is little about it that is distinctly new. The author has no statistical apparatus to dissect, decompose, distill or dehydrate his election returns. He does not employ any sociological data relating to race, religion, income or press circulation to see if anything can be discovered from ward and precinct returns. He is too much absorbed in total results.

The descriptive study of politics is reaching a high degree of perfection. The present volume is good evidence of the fact. But the pressing need is for a more scientific study of political phenomena. In this our universities must take the lead; indeed, the University of Chicago is already in the forefront of the movement. This new type of study imposes heavy demands upon those who attempt it.

JOSEPH MCGOLDRICK.

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HOW CAN CONTRACT BOND CONDITIONS BE IMPROVED? By the Surety Association of America. Pp. 62.

CONTRACT BOND UNDERWRITING. By R. H. Towner, Rating Bureau. Pp. 9.

These articles have for their purpose the justification of the practices followed by surety underwriters relative to contract bonds.

Some of the practices connected with contract bonding are severely criticised by contractors, by owners, by public officials. It is claimed at times that bonding does not tend toward economy. The policy of loss-sharing has, however, become so much a part of present-day business procedure that it is difficult to believe that such critics are fully justified in their opposition.

It is possible that there is too great laxity in issuing contract bonds and that the evils resulting therefrom are sufficient to warrant the omission of such safeguards until conditions are corrected. Attempts have been made to effect improvement through coöperation between contractors, surety men and highway engineers. Secretary Hoover has been instrumental in promoting such a movement.

The character of both the attack on and the defense of contract bonding creates the impression that much of the trouble is due largely to a lack of adequate statutory provisions as to bond procedure and bond responsibility. That lack was responsible for much of the old-time laxness in the life insurance field, which not many years ago resulted in a revolution in methods in that field. There is reason to believe that lack of proper statutory control, particularly with regard to acceptable risks, is one of the principal reasons for excessive fire insurance rates and extravagant fire prevention measures. To too great an extent fire insurance companies accept any risk which an agent will present, regardless of the hazard and without proper investigation of the hazard.

Apparently contract bonding is suffering to some extent from the same lax procedure. That rates are higher than would be necessary if proposed contracts were more closely scrutinized is probably beyond question. That they are unjustified is, however, not a necessary conclusion. Any movement or policy which will reduce rates must first reduce losses, which can be attained only by greater coöperation between all interests concerned. It seems probable that public officials are in the least advantageous position of any to give effective coöperation for the reason that public demand impels them to award contracts to the lowest bidder, even in the face of adverse conditions. The result is that surety companies in dealing with public officials are quite apt to bond the bidder that presents the greatest hazard in the group of bidders. The remedy in such cases is for the surety companies to refuse to bond unless such bidder appears to be a safe risk, for it is only as a result of bonding that such lowest bid becomes the greatest hazard. Unfortunately it appears that no contractor is so irresponsible that some surety company will not give the desired bond. It is probable that here lies the greatest opportunity for improvement in contract bonding.

The pamphlet by the Surety Association is a comprehensive statement of the findings of a committee of said association. The article by Mr. Towner is in the nature of a justification for the conclusions contained in the former. The two present a comprehensive defense of surety underwriters and make clear the weaknesses of some of the complaints of the contractors and the public officials. To that extent the report of the Surety Association deserves the attention of municipal and corporate officials. A complete picture of all the difficulties in contract bonding demands, however, an equally clear and comprehensive statement by the critics of present practices in such bonding.

George M. Link.

Board of Estimate and Taxation, Minneapolis.

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The Book of Beuthen, Upper Silesia. Edited by Erwin Stein. Berlin: Kommunal-Verlag. 1925. Pp. 272.

If in the future some political cataclysm should separate the eastern part of the United States from the western in such fashion that the border line ran through the city of Pittsburgh, then we should have a situation similar to that in which the city of Beuthen found itself when the League of Nations cut the Gordian knot of the indissoluble differences between the Poles and Germans of Upper Silesia in 1922. Beuthen had to grapple with the grave problems of rearranging its political, economic and social life to meet this necessarily arbitrary division at the same time that it faced the hardships common to all German cities in the post war period. It is these exceptional problems which lend special interest to the volume on Beuthen O/S. in the series of monographs on German cities. The usual thorough treatment of the subject from many angles is found, shot through warp and woof with a fierce non-acceptance of the present boundary line as a finality which augurs ill for continuance of the "spirit of Locarno." Profuse illustrations and several maps help to make clear the situation in this important mining center before and after it was disrupted.

George H. McCaffrey.

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The Hydrographic Office. By Gustavus A. Weber.

The Bureau of Naturalization. By Darrell Havenor Smith. Respectively Nos. 42 and 43 of the Service Monographs of the United States Government issued by the Institute for Government Research. Baltimore. The Johns Hopkins Press.

The Service Monographs are too well known to need additional comment. These new additions are short (Circ. 100 pp.) and authoritative. They are molded to the general plan which has been followed throughout the series, though the material on personnel is presented in the appendix rather than as a separate chapter as has been done in a number of the other studies. This is an improvement from the standpoint of presentation. It is to be regretted that the more or less ironclad editorial specifications governing these studies proscribe the use of organization charts and geographic maps upon which may be traced the various administrative geographic divisions of our Empire. The only map so far appears in the National Park Service.

L. G.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

The United States Supreme Court Upholds Zoning.—The supreme court of the United States sustains zoning as a reasonable and proper exercise of the police power. The decision, handed down the latter part of last November, was rendered in the case of Village of Euclid v. Ambler Realty Company, originating in Ohio, brought in the lower United States court on account of the fact that the parties were citizens of different states, and appealed to the supreme court. The ordinance was attacked on the familiar ground that it was a taking of property contrary to the Ohio constitution and similar provisions of the Fourteenth Amendment of the Constitution of the United States.

The Euclid village ordinance created one-family, one- and two-family and general residential districts, and business and industrial use districts, height districts, and area districts more or less of the usual character. None of the contestant's property was situated in a one-family use district, and the court declined to pass upon the constitutionality of such district, but did uphold the validity of one- and two-family districts from which not only stores and factories, but tenement or apartment houses were excluded, as well as the constitutionality of height and area districts.

The relief sought was an injunction against the enforcement of the ordinance as a whole on the ground that it constituted a cloud upon the title of the contestants and affected unfavorably the marketability and value of its land. The ordinance contained special provisions in great number, but the court refused to pass upon them in detail on the ground that they were not involved in the action as brought, and contented itself with passing upon and upholding the validity of the general principles of zoning and its major provisions.

The court considered regulations of height, area, and of use in so far as it consists of exclusion of nuisance industries and also of industries not nuisances but simply out of place, clearly constitutional under their former decisions; and goes on to say:

> We find no difficulty in sustaining restrictions of the kind thus far reviewed. The serious question in the case arises over the provisions of the ordinance excluding from residential districts apartment houses, business houses, retail stores and shops, and other like establishments.
>
> This question involves the validity of what is really the crux of the more recent zoning legislation, namely, the creation and maintenance of residential districts, from which business and trade of every sort, including hotels and apartment houses, are excluded. Upon that question this Court has not thus far spoken.
>
> The decisions of the State courts are numerous and conflicting; but those which broadly sustain the power greatly outnumber those which deny it altogether or narrowly limit it; and it is very apparent that there is a constantly increasing tendency in the direction of the broader view.

The "broader view" is the one taken by the supreme court of the United States. There is little that is new in the opinion. The judges, very wisely, content themselves with affirming the principles already enunciated in the state courts. One novel point, important in regional zoning under present conditions is, however, considered.

The village of Euclid, physically a suburb of Cleveland, is politically a separate municipality. The ordinance regulates the course of industrial development originating outside its borders, determining,

> not that industrial development shall cease at its boundaries, but that the course of such development shall proceed within definitely fixed lines.

With regard to this determination, the court says:

> If it be a proper exercise of the police power to relegate industrial establishments to localities separated from residential sections, it is not easy to find a sufficient reason for denying the power because the effect of its exercise is to divert an industrial flow from the course which it would follow, to the injury of the residential public if left alone, to another course where such injury will be obviated. It is not meant by this, however, to exclude

the possibility of cases where the general public interest would so far outweigh the interest of the municipality that the municipality would not be allowed to stand in the way.

Frank B. Williams.

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Torts—Extent of Statutory Liability in South Carolina.—In Youngblood *v.* Town of York, 134 S. E. 1, the plaintiff brought an action for personal injuries sustained while in the defendant's employ as a laborer in the water and light department. The injury was caused by the breaking of a lighting pole on which the plaintiff was working. The supreme court affirmed the judgment of nonsuit on the ground that the evidence showed that the pole, although belonging to the town, was located on private property and not on any public street.

This and similar decisions in South Carolina illustrate the difficulties that may arise when statutory is substituted for common-law liability. The courts of South Carolina, disgusted with the inconsistencies resulting from an attempt to apply the distinction between governmental and proprietary functions as a test of liability in tort, took the ground that a municipal corporation should not be held liable in tort unless so provided by statute. (See Irvine *v.* Greenwood, 89 S. C. 511, 72 S. E. 228.) The statute imposing liability for negligence in the care of the streets was so broadly applied that in Creps *v.* Columbia (104 S. C. 371, 89 S. E. 316) the plaintiff was given a recovery for injuries due to the negligent operation of a fire truck, the act being in violation of the duty to keep the streets in a safe condition. In the instant case, therefore, the town would have been held liable under the statute, had the pole been erected in a highway. The effect of the limitation of liability to negligent acts or omissions relative to the care of streets may thus be quite as unfortunate as that resulting from the generally accepted test, as illustrated in the Georgia case of Autrey *v.* Augusta (127 S. E. 796), in which the city was held exempt from liability because the unguarded hole into which the plaintiff fell was on the side of a water-works cut-off that led to a public park, which the court held was maintained as a governmental function.

In the recent case of Wrighton *v.* Highland Park (210 N. W. 250) the supreme court of Michigan refused to extend the statute of 1915 requiring a municipality to place a horn on its automobiles to impose liability for injuries to a pedestrian injured by a city truck drawing sand for the street department and not so equipped. Had the accident been caused by the failure of the city to keep its streets in repair, the liability imposed by statute in Michigan would have been applied. (Cone *v.* Detroit, 191 Mich. 198, 157 N. W. 417.)

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Torts—Liability of School Districts for Negligence Resulting in Injuries to Pupils.—The supreme court of Washington recently affirmed a judgment in favor of a pupil who was severely burned while on the playgrounds by coming in contact with a wire carrying an electric current. (Rice *v.* School District, 248 Pac. 388.) The wire had been strung as an aërial for an entertainment given by the parent-teachers association in the schoolhouse the previous evening. It had been put up by the principal and janitor and had fallen during the night, coming in contact with a high power electric wire of the local lighting system. In holding the district liable because of its negligence in the discharge of its duty properly to supervise the playground, the court followed well-established precedents.[1]

This result in Washington is predicated upon a statute passed in 1869, imposing liability upon municipal corporations for acts or omissions invading the rights of the plaintiff, which is construed to cover negligence in the performance of governmental as well as proprietary functions. (Howard *v.* Tacoma School District, 88 Wash. 167, 152 Pac. 1915.) A similar statute in Oregon and Minnesota is held to apply only to negligence in the performance of proprietary functions. (West *v.* School District, 68 Ore. 474, 137 Pac. 749; Bank *v.* Bramard School District, 49 Minn. 106, 51 N. W. 814.) In 1917 the Washington statute was amended to exempt school districts from liability in connection with any park, playground, field house, athletic apparatus or appliance or manual training equipment. In Stovall *v.* School District, it was held that the amendment did not apply to the case of a child injured by a steel tank left temporarily in the school yard, it not being a playground apparatus.

The rule here applied based upon statutory construction may well be compared with that propounded by the court of appeals of New York in the case of Herman *v.* Board of Education (234 N. Y. 196, 137 N. E. 24) in which a pupil was allowed to recover for injuries received while operating an unguarded buzz saw in the course in manual training. The court held that when the duty is upon the city itself and not upon public officers appointed by it, when it accepts the duty and power to perform it, then, as to itself and its own agents, it may be liable for negligent omission to do or for doing in a negligent way the duty thus imposed and accepted, and this regardless of the question whether the duty pertains to a governmental function as education, or to one of a private or proprietary nature. If on the other hand the act of the agent is *ultra vires;* and beyond the duty accepted, the doctrine of respondeat superior does not apply to change the municipal corporation. Upon the ground that the supervision of athletic activities is not a duty of the district under the rule above stated, it was held in Katterschinsky *v.* Board of Education of the City of New York (212 N. Y. S. 424) that the city could not be held liable for negligence of teachers in charge of athletic exercises conducted in the courtyard of the school. In the instant case, the duty properly to look after the safety of young children on the school grounds is recognized as one imposed upon the district and, therefore, the negligence of the agent is held to charge the district with liability.

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[1] Bruenn *v.* North Yakima School District, 101 Wash. 374, 174, Pac. 569.

Stovall *v.* School District, 110 Wash. 97, 188 Pac. 12.

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Officers' Pensions—Power of City to Increase Annuities of Beneficiaries.—By a decision handed down October 16, 1926, the supreme court of California upheld the power of the city of Los Angeles to grant an increase in annuity from the firemen's pension fund to a widow of a fireman who lost his life in action in 1907. (Home *v.* Souden, 250 Pac. 102.) At the time of his death, the ordinance authorized a payment to her equivalent to one-third his annual salary, but by a charter amendment in 1913, ratified by an ordinance of 1920, the pension of widows of firemen losing their lives from injuries received in the discharge of their duties was increased to one-half the annual salary, and made to apply to existing as well as prospective beneficiaries.

It is generally recognized that pensions to municipal employees are not gratuities, but are in the nature of compensation for services rendered and therefore the power to establish a pension system may be either expressly or impliedly granted. (Bowler *v.* Nagle, 228 Mich. 434; 200 N. W. 258.) As the legislature has power to fix salaries and wages, it may require the establishment of pension systems for municipal employees (State *v.* Love, 131 N. W. 196) and in turn may transfer the funds collected for that purpose to other purposes (Pennie *v.* Reis, 132 U. S. 464). Under constitutional restrictions upon granting any additional compensation to municipal employees, however, it is generally held that pensions may not be paid to those who had been employees before the system was established (Mahon *v.* Board of Education, 171 N. Y. 273; State *v.* Ziagenheim, 144 Mo. 283). In State *v.* Volunteer Firemen's Relief Association, 134 Atl. 694, decided by the superior court of Delaware last June, a statute directing a payment by the city of Wilmington into the treasury of the association operated for the benefit of its members who had formerly served as volunteer firemen was held to be invalid as an appropriation of public funds for a private purpose.

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Contracts—Lowest Responsible Bidder.—In Gjellefald *v.* Hunt decided September 21, 1926 (210 N. W. 122) the supreme court of Iowa reviews the decisions upon the effect of the statutory provision that municipal contracts should be let to the lowest responsible bidder. After the call for bids to construct a county drainage ditch, a contract was let inserting an additional payment for work through rock or quicksand not mentioned in the published specifications. In an action for the balance due under the provisions of the written agreement, the court affirmed the decision of the lower court that the supervisors were without power to enter into the contract as they failed to observe the statutory requirements.

As the whole theory of awarding public contracts to the lowest responsible bidder, after advertisement, is to create competition between the bidders and secure the best price for the public, there must be established in advance a fixed basis for comparison of bids consisting of definite specifications covering the entire work. Additional stipulations, not mentioned in the public notice for bidding, constituting material changes, if included in the agreement entered into upon the award, invalidate its effect as a contract. This result is a necessary conclusion from the doctrine of delegated powers; which can be exercised only in the way set forth if the statute specifies the manner in which the power may be exercised. So if the statute requires a bond, or the formality of a writing, no contract is valid unless the municipality complies with the requirement. The selection of the lowest responsible bidder is a discretionary act of the municipal authorities but their determination is not necessarily conclusive. An arbitrary decision by such a body to accept a higher bid without facts to justify the finding of irresponsibility of the lowest bidder cannot have the effect of a judicial determination. (People *v.* Gleason, 121 N. Y. 631.)

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Transit and Tax Values.—An interesting question of importance to all large cities has been raised in New York by Gerhard M. Dahl, chairman of the board of directors of the Brooklyn-Manhattan Transit Corporation, in his public discussion of the New York City transit situation. The idea has gained currency that even if the interest and sinking fund charges on the city's bonds issued for new subways would have to be paid out of taxes, the tax on the increase in property values created by the new facilities would be sufficient to pay the charges on the additional bond issues,—which would thus be actually self-sustaining even if directly supported out of taxes instead of revenues collected from the riders.

This view is sharply challenged by Mr. Dahl, with an imposing array of figures. For our present purpose, his figures will be disregarded because they would require too much explanation; some of them appear to be of doubtful validity. He holds that in general property values are not increased sufficiently by new transit lines to pay the fixed charges on the city's construction bonds, and that the new developments require also many other city outlays that must be supported by taxes; more schools, more paving, more sewers, more police, etc., etc. When all these additional costs have been paid out of taxes, the higher valuation has been absorbed without leaving any margin for the subway bonds. His conclusion, therefore, is that the carrying charges should be paid by the riders and not by the taxpayers.

The question thus raised is extremely important. Whatever may be said as to the correctness of Mr. Dahl's views regarding the local New York situation, any municipality undertaking to provide new transportation facilities must properly take into consideration more than the one question, whether the higher real estate values to be produced will justify the required investment through the increase in gross taxes. Mr. Dahl is right,—there are many other public costs due to real estate developments produced by new transit lines. There is always the danger that only the credits, without the debits, will be considered in the analysis and arguments for particular transportation proposals.

But there must be care also that all the credits are included. Mr. Dahl in his discussion merely referred to the increase in property values attributable to the added transportation,—and he appeared rather niggardly in computing this particular credit. There are, however, other items to be evaluated, including the effect upon the distribution of population, the convenience of business, the promotion of health and well being, and the relief of congestion, also the question whether the new facilities do not prevent an otherwise deterioration of real estate values. The summation of credits and debits is at best a difficult matter and requires a great deal of expert guessing. Unfortunately the municipal programs as adopted are usually based largely upon political considerations and are supported by well sounding catch words without an impartial and scientific evaluation of benefits and costs to the municipality at large.

But let us assume that in a particular instance the proposed facilities are warranted by the balancing of total credits and debits, but that the additional debt charges cannot be paid out of the taxes from the new real estate values. In such a case Mr. Dahl would require the riders to pay all the additional costs, including interest and sinking fund charges on the required investment. He thus raised an important question of policy. Is he correct? Why, for example, should not the directly benefited property holders be assessed at least in part for the cost of the improvement? Are they not beneficiaries even after the payment of taxes in the enhanced values? Why should not the general business interests—stores, office buildings, apartment houses—contribute somewhat in accordance to the benefit to the business? Why should not the public at large help to pay in part the cost of promoting the health and welfare of the community?

These are questions which will inevitably receive increasing consideration by the cities,—not only because the implied answers are eminently reasonable and just, but because in many instances proposed transit facilities which are economically and socially justified cannot be made financially self-supporting through fares paid by the riders. What should be done in such cases? Give up the improvements or place an appropriate part of the costs upon other benefited classes?

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New York City Local Five-Cent Fare Law Invalid.—The recent decision of the court of appeals, the highest court in the state of New York, in effect declaring a New York City local five-cent fare law invalid, will have great importance not only for the city of New York so far as its local transit problem is concerned, but will affect the home rule situation in the entire state and possibly in other states.

Acting under the home rule amendment of the state constitution (Article 12) and the home rule law, the municipal assembly of the city of New York adopted the so-called Local Law No. 16, which nominally became effective on September 17, 1925, but was subject to approval in a referendum by the affirmative vote of the majority of the qualified electors of the city voting on the matter. There was not sufficient time to place the proposition before the electors in November, 1925; consequently it was to be submitted in November, 1926. In the meanwhile, however, legal action was started to prevent the board of elections from placing it upon the referendum ballot and thus to defeat the object of the local law. This action succeeded by order of the court of appeals, on October 22, 1926 (Frank J. McCabe, Appellant *v.* The Board of Elections of the City of New York). The law thus remains uncompleted and, therefore, inoperative.

The substance of the law was to forbid the board of estimate and apportionment "to adopt any resolution authorizing, or purporting to authorize, any change in any contract or franchise for the operation of any subway, or rapid transit railway, or street surface railway in the city of New York, the purpose or effect of which is to increase the fare of five (5) cents now provided by law, or which grants any operating company any preferential or bonus or subsidy, or releases it from any of its obligations to render the service to the public required by any contract or franchise whatsoever," unless the matter had been previously approved by a regular referendum vote and had been brought to such referendum through a petition signed by qualified voters equal in number at to least 15 per cent of the total votes cast in the city for governor at the last gubernatorial election.

The effect of the law would, of course, have been to tie the hands of the local authorities to deal with all important transit matters,—not only fares, but other financial and service requirements imposed by existing contracts and franchises. Any important action would have first required an impossible petition and a favorable referendum vote. This would obviously have been an impossible procedure, except that apparently the municipal assembly itself could have repealed the law without such a prior petition and referendum.

The decision of the court of appeals was doubtless influenced by the *impasse* that would have been created by the law. But it was not directly predicated upon the folly, but upon the fact that the law did not follow the requirements prescribed for the enactment of local laws, also that it went beyond the local domain and encroached upon state laws not subject to local action.

The situation is thus left in *statu quo*. All the transit matters remain subject to the power of the transit commission, the board of transportation, and the board of estimate and apportionment. The powers are already sufficiently diffused to make the fixing of definite responsibility impossible and the formulation of a program extremely difficult. The law which was invalidated would have added greatly to the difficulties of dealing with a complicated situation. The decision, therefore, disposes of an apparently undesirable local law by insisting that a municipality in adopting local legislation must follow strictly the requirements and limitations of the home rule law. While it may indicate a spirit of judicial overlordship on the part of the court—to pass on the wisdom of local legislation—technically it seems not to have limited in any material degree the domain and objects of home rule legislation.

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Differentials in Gas Rates.—In the November issue, we were pleased to include a letter by Dr. W. E. Bemis on "Gas Rates." This letter raised an extremely important question which has never received sufficient scientific and impartial investigation as to the facts. We believe that no one really knows to what extent, if any, differential rates should be established in the gas industry similar to electric rates. Dr. Bemis supported a flat rate for domestic users, and his point of view deserves careful consideration. We believe, however, that there is another point of view and are, therefore, pleased to publish the following letter:

To the Editor of the NATIONAL MUNICIPAL REVIEW:

I wish to take issue with the statement of Dr. Bemis quoted by Mr. Bauer in the Public Utility Section of the November REVIEW to the effect that gas for "domestic use should certainly remain under the flat rate." Neither the American Gas Association nor any of the larger Gas Companies have suggested, or desire to introduce, different rates for domestic cooking, domestic water heating, domestic refrigeration, etc. Practically the entire industry is agreed that in each territory the rate for gas for domestic use, other than house heating which is a quantity proposition, should be the same independently of the purpose for which the gas is burned.

What the gas industry decidedly wants, and believes to be in the public interest, is the incorporation of a service charge in the domestic gas schedule. Every gas company has large items of expense which are proportional to the number of customers and entirely independent of the amount of gas consumed. Every domestic customer on its mains, even if he does not use a single cubic foot of gas in the year, involves the company in considerable definite expense, such as the cost of meter reading, bookkeeping, billing; setting, repairing, replacing and testing meters; and the interest, taxes and depreciation on the meters and service pipes which the company provides for each customer. These expenses must be earned by the Company in some way and must appear somewhere in every rate schedule whether specified or not.

If the customer uses a small amount of gas these customer costs are relatively larger per 1000 cubic feet. Under a flat rate such a customer does not pay his fair share and the deficit is made up by the larger customers. In other words the larger domestic users are having to pay more than they should in order to make up the losses on the unprofitable small customers.

The mistake should not be made of confusing the large user with the prosperous user, and the small user with the economic under-dog. The working man with several children, eating at home, will as a general rule use more gas than dwellers in apartment houses living largely at restaurants; professional men such as doctors who want to be able to use gas occasionally to sterilize instruments; and others who want gas service always available but use it very seldom. It is only fair that each and every customer of the gas company should pay the cost of what he gets, both service and gas. Equity as between the different customers of the Company requires that the customer or service cost be billed separately from the commodity cost or charge for gas consumed. It may reduce the strain on the thinking mechanism of the charitably inclined to know that the proposed rate readjustment will make the most convenient fuel, viz., gas, cheaper and more available in the many homes where all the housework is done by the family and every bit of labor saved pays dividends in health.

The man in the street looks upon the gas company as a monopoly. The men in the gas business are very much aware that it is a highly competitive business. Our direct competitors are coal, oil, and electricity. To get more business we must reduce our rates. We want a service charge because it will enable us to reduce our rates and sell gas more cheaply, and thereby increase the volume of gas sold.

Earlier in the article referred to Mr. Bauer says "that a single flat rate for all users (of electricity) would be a grave economic mistake." It is equally true that a single flat rate for all users of gas is a grave economic mistake.

Yours truly,

CHARLES H. PORTER.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY GEORGE H. McCAFFREY

Annual Meeting.—The sixteenth meeting of the Governmental Research Conference was held in Rochester, N. Y., on November 22, 23 and 24, 1926. The attendance was large, especially in view of the fact that the conference was meeting alone. With R. A. Vandergrift present, Los Angeles took the prize for being the most distant organization represented away from the San Francisco Bureau which was represented by M. H. Gates. The new Pittsburgh Bureau was represented for the first time by Major Philip Matthews and Frank L. Olson, the revived Cincinnati Bureau by John B. Blandford, and the Municipal Administration Service, the long awaited central body of the research movement, by George H. McCaffrey.

The program committee, S. B. Story, A. E. Buck, Luther Gulick and L. D. Upson, had done their work so well that formal and informal sessions alternated with happy results. A demonstration of the photostat method of recording documents and maps at the plant of the Photostat Corporation was an interesting close to the first day's formal program and one particularly useful to the members of several bureaus which are actively studying this method. The proceedings of the formal sessions will be sent to all members of the conference, so no comment upon them need be made at this time, other than that those papers presented at the daytime sessions maintained the high level of previous meetings, while the delightful, whimsical touch in Dr. Whitney's description of the romance in industrial research and the prophetic review of the governmental research movement by Dr. Beard set a new standard for future banquets.

At the banquet on November 23, all those present received a copy of an attractive looking pamphlet, "Twenty Years of Municipal Research," which had been prepared by the Rochester Bureau staff. Copies of this pamphlet have since been sent to member bureaus and the new secretary has a few more for further distribution. Dr. Beard's address has been reprinted by the Municipal Administration Service as the first of its series of pamphlets and monographs dealing with administrative problems.

At the business meeting of the conference it was announced that the Executive Committee elected for the coming year was W. C. Beyer, A. E. Buck, Luther Gulick, Walter Matschek and L. D. Upson. Selection of the next meeting place was left to the Executive Committee by vote of the conference with the indication that the consensus of opinion among those present was favorable to accepting the invitation to meet next year at New York.

The Executive Committee organized immediately after the close of the general conference meeting by electing Luther Gulick, chairman; William C. Beyer, vice chairman; and George H. McCaffrey, secretary.

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St. Louis Bureau of Municipal Research.—The adoption of a constitutional amendment in Missouri last November makes possible the establishment of a system of public pensions for police officers. The St. Louis Bureau has added this topic to its working program.

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Municipal Administration Service.—George H. McCaffrey has resigned as director of the service, effective January 1, in order to accept the post of understudy to Mr. F. B. DeBerard, head of the research department in the Merchants Association of New York.

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Citizens' Research Institute of Canada.—An administrative survey of St. John, N. B., with special reference to assessments and financial control is being made by the Institute at the request of the St. John city council.

The Institute has published a report entitled "The Burden of Municipal Taxation in Some Canadian and United States Cities," containing per capita figures for seventeen cities, and a further report on "The Proportionate Increase in Taxation throughout the Dominion during the Period 1913–1924, Dominion, Provincial and Municipal."

Toronto Bureau of Municipal Research.—The sixth and last of the bureau series of bulletins on the city manager form of government has been published. This series has created widespread interest as is evidenced by the requests for copies and the use made of them by the Canadian press as articles and in editorials.

"The Educational System of Toronto," a white paper prepared by the bureau, and a report, "Vagaries of the Ward System of Municipal Government," with suggestions as to possible improvements in the system, will appear soon.

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National Institute of Public Administration.—W. A. Bassett, who has been a member of the staff for the past twelve years, has resigned to accept the newly created chair of municipal and industrial engineering at the Massachusetts Institute of Technology.

Bruce Smith has completed his survey of the Cincinnati police department. He is continuing his work for the New York State Crime Commission (Baumes Commission), and is at present making a study of the police department of Rochester, New York.

The Institute has undertaken a study of tax exempt securities in New York State for the Special Joint Committee on Taxation and Retrenchment of the New York State legislature.

A study is being made by the Institute for the Sub-Committee on Budget, Finance, and Revenue of the Mayor's Committee on Plan and Survey of New York City.

"Municipal Finance," by A. E. Buck in collaboration with other staff members of the Institute has appeared. It is published by Macmillan, 60 Fifth Avenue, New York City.

*

Detroit Bureau of Governmental Research.—Mayor John W. Smith, of Detroit, has re-convened his Finance Committee and augmented its membership, for the purpose of revising the ten-year bond budget, which was presented in May, 1925. C. E. Rightor, of the staff of the Detroit Bureau of Governmental Research, has been reappointed secretary of the Committee.

August Vollmer, chief of police of Berkeley, California, formerly chief of police of Los Angeles and more recently consultant for the police department of Havana, Cuba, completed his work as consultant to the Detroit police department January 1, 1927. Chief Vollmer's services were engaged for a period of three months for this purpose by the Detroit Bureau.

*

The Des Moines Bureau of Municipal Research.—An analysis recently furnished by the Des Moines Bureau of Municipal Research shows that the tax payers will pay eventually a total of $27,290,000 on city, school, and county bonds now outstanding to the amount of $17,652,000. The difference represents the interest payments.

The analysis by the Bureau depicts graphically the annual principal and interest requirements of city, school, and county bonds during their term. An amazing irregularity in the annual debt charges is shown which must result in refunding more than one-third of the outstanding bonds unless corrective measures are taken. This situation has arisen through the issuance of term bonds without making any sinking fund provisions for their payment. The refunding may be avoided by a slight increase in the total tax rate for debt charges. The practice hitherto has been for each subdivision to act independently with respect to fixing its tax rate for debt charges. There is consequently greater irregularity in several of the years when large bond issues of one subdivision come due. If the amount of decrease in the debt tax rate of one subdivision is applied to the increase of the debt charge in another subdivision resulting from the maturity of bonds the latter can be paid off without refunding and these peaks in the load leveled off to a considerable degree. The chart of future maturities of bonds will also enable tax officials to arrange the maturities of future bonds to even up the present irregularities in annual bond charges.

The Bureau contemplates recommending to the state legislature a few changes in the present state bond laws relating, among other things, to the issuance of serial bonds and limiting the life of an issue to the period of usefulness expected from the objects of expenditures.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY W. E. MOSHER

A French Proposal on City Management.—After summarizing the manifold duties of the mayor and council members in a French commune and suggesting the practical impossibility of properly meeting them, the editor of the *Revue Municipale* refers to the system of hiring a professional executive as is being done in the United States and Canada. He follows up this suggestion by pointing out the fact that French communes are not nearly as well to do as the American and that it would not be possible for each commune to have a city manager. This leads to the suggestion that a trained executive might very well divide his time between several communes who would pool the necessary amount for his salary.—*Revue Municipale*, October, 1926.

⁂

A New University Degree.—Last spring for the first time a doctoral examination was given at the University of Berlin in the field of local public administration. The preparation calls for at least six semesters of university study in the political science department, and covers national economy, finance and important branches of private and public law from the administrative standpoint. Of forty candidates who took an examination for a degree in national economy, five chose to be examined in this special field of administration.

The increased demand among municipal administrators for people trained in national economy is looked upon as a promising sign. In view of the problems with which local councils are confronted it seems clear that experts must be provided that will command not only a fund of legal knowledge but that will also be equipped with a comprehensive acquaintance of economics and finance. *Zeitschrift für Kommunalwirtschaft*, September 25, 1926.

⁂

English View of Governmental Research.—The English *Journal of Public Administration* speaks in a most commendatory fashion of the proceedings of the Governmental Research Conference held in Pittsburgh in 1925. The critic makes a plea for open-mindedness toward American local government which is attacking, in his opinion, governmental problems in a very progressive and refreshing way. He appreciates the likelihood of prejudice among English readers because of the undemocratic policies met with here and there in American government as compared with the English committee plan and because of some stylistic idiosyncrasies in the report itself. "Over the Goal Line with Municipal Research" is cited as a title that may not seem sufficiently sedate for a discussion of so sober a subject as local government. The remarks on the paper dealing with the method of preparing a ten-year financial program are distinctly laudatory. The writer concludes by commenting most favorably upon the contributions that the speakers at the Pittsburgh Conference have made and urges upon his readers that they take advantage of studying it, especially for purposes of comparison.—*Public Administration*, October, 1926.

⁂

Police Exposition in Berlin.—An exhibition of German and international police activities was opened at the end of September in Berlin. This has stirred up much interest, not alone in Germany but also in other countries, and is said to be by far the most successful of the expositions since the World War. Contributions to the expositions have been made from all German countries, as well as a dozen other European countries. Three large halls have been used for purposes of display, so that ample opportunity is given to present all phases and aspects of police activity.

Models of buildings, and of police officials as well as of various important crimes, are used with telling effect. By these means both the earlier periods, as far back to the middle ages, and the most recent developments are presented. An opportunity is given to understand the organization of the police, its division into various specialized functions, the training school, welfare activities and the like. Due attention is given to the use of airplanes for pursuit purposes and the radio for the transmission of information. Special divisions are devoted to mining police, building police, the police in charge of forestry, hunting, water, health, fisheries and the like. One of the halls has been assigned to the fire department and police in charge of crime. Samples of fire fighting apparatus from the earliest times find their place in the exposition. A complete precinct station is included under the criminal service. Pictures are given of some of the sensational crimes of recent years. One of the outstanding results of the exposition is that it brings closer together the police and the public. On every side one hears the advice that the police should not be looked upon as an enemy but rather as a friend and protector of the honest citizen.—*Zeitschrift für Kommunalinitschaft*, October 10, 1926.

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Recreation.—Standards developed by the German Committee for Physical Training and the Central Commission for Sport and Physical Exercise are set forth in a bill governing recreation places. It provides that each community shall set aside and maintain three square meters per capita for playground purposes and apportion the space in the following manner: One-half a square meter for free play of the school children up to ten years, and two and a half square meters for adults and children who have left school. Many of the medium sized and small cities are attempting to reach this standard as rapidly as possible. Other recommended standards are included in the bill.—*Zeitschrift für Kommunalwirtschaft*, September 25, 1925.

*

Centralized Production of Electricity.—The English government has presented an electricity bill designed to concentrate the generation of electricity in a comparatively small number of stations and to construct a network of transmission lines through the length and breadth of the country. The work is to be entrusted to a central board operating under a loan from the treasury.

The stations generating electricity will be operated in accordance with the directions of the board, which will purchase all current at a fixed price, reselling to the owners of the stations and to other authorized distributors. In case of inability to come to agreement as to the cost of stations taken over by the board, transfer may be enforced by payment of cost less depreciation. Another provision is that the board shall have a right to close down uneconomic stations. This will necessarily involve the closing of a considerable number of small stations and possibly the consideration of new ones which may be operated by the board in case it cannot find others to do it.

This measure, if adopted, will be the most comprehensive scheme for the unification of the nation's electrical supply in operation anywhere. —*Local Government News*, November, 1926.

*

Progress in Administration.—Paul Otlet, the well-known writer on public administration, has summarized recent progress in administration. His thesis is that administration is now in a process of evolution, if not transformation, and that changes are being made more or less rapidly in almost all directions. He attempts to point out significant steps that have been taken in several countries.

United States. He refers to the work of the bureau of standards in the United States and calls attention particularly to the committees that have been engaged in preparing standard specifications for various supplies, including water, gas, electricity and the like.

England. In England reference is made to the work of the commission organized in 1917 under the chairmanship of Lord Haldane which set up principles concerning the machinery of government. The preparation of reports, the coördination of various departments and the making of investigations concerning the methods of procedure employed in the administration of the central government, its colonies and in foreign countries were emphasized.

Belgium. In Belgium the writer considers the economy commission which was instituted in 1922. The reports of this commission have not been published, but it is known that twenty-eight different studies have been made concerning pensions, reorganization of several departments, participation of the personnel in inventions, the press and publicity and similar matters.

He touches upon the creation of three censors, one of whom is designated by the king, another by the lower chamber and the third by the senate. This commission may enlist the services of specialists for the purpose of calling to the attention of the ministry and parliament flaws, abuses and uneconomic expenditures in the various services. It may propose reforms looking toward the improvement of these services or the more economical conduct of them, and receive and consider complaints from the public. Finally, a commission of simplification and improvement of fiscal control has been constituted. —*Les Sciences Administratives*, September, 1926.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Detroit Municipal Street Railway Manager Resigns.—Just when it appeared that the Detroit Street Railway system, owned and operated by the city, had worked its way out of initial problems in finance, replacements, etc., the municipal experiment seems to have run head on into the old problem of personnel and politics. Unprejudiced observers in Detroit admit that the system still has a good many difficulties to overcome in order to establish itself as a permanent success.

Under Mayor Couzens' leadership the city took over the system from the private company, with popular opinion largely favorable to an efficient, non-political administration. Following Mayor Couzens' resignation four years ago, Detroit suffered from political unrest and frequent change in the office of mayor. When the incumbent, John W. Smith, assumed office, he carried out his campaign promise to "fire" Ross Schram, the Couzens' appointee as general manager. In June, 1925, H. U. Wallace became manager under the Smith régime, having been brought from Knoxville, Tenn. Without public knowledge of dissatisfaction on his part, Wallace resigned last November, his resignation to become effective January 1.

Detroit citizens can only guess at the actual reasons which led Wallace to resign. His only public statement, that he wanted to give attention to personal business interests, is rather mystifying in view of the fact that he has been receiving a salary of $18,000 per annum, which might be regarded as fairly good compensation.

Current rumors in the City Hall are popularly accepted and are to the effect that Wallace was not permitted the measure of authority which his responsibility required. Serious conflicts with the Street Car Men's Union, though compromised without open rupture, gave substance to the boast of a union leader: "We are running the D. S. R. ourselves; not the mayor, Wallace or anybody else."

Citizens are wondering whether union control and political manipulation of jobs, hours, schedules, trips, conditions, etc., are responsible for the discouragement and resignation of the general manager.

According to the charter the system is administered by a commission of three citizens appointed by the mayor. Commissioners expressed surprise over the Wallace resignation, but the public has very little inside information. Wallace's official record in Detroit has been excellent, justifying the favorable forecast made when he was appointed. There seems to be considerable suspicion that political favoritism, in some form, has intruded itself into the administration, at least to the extent of discouraging Mr. Wallace in his efforts to do his work without regard to politics, preferment or personal influence. So far as known, the system is operating successfully from the financial standpoint at a fare of six cents, plus one cent for transfer.

The apparent weakness in administration has been the willingness of the commission, appointed by the mayor, to regard its function as superficial and honorary when, under the charter, it is charged with full freedom and responsibility.

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Successor to Recalled Officer.—Since the beginning of the operation of the recall in Oregon it has been clearly evident that the combination of the recall of an officer with the choice of his successor, perhaps himself, has confused issues and at times frustrated the real purpose of this instrument of government. The officer attacked has had at the same time to justify his official record, compete with the political ambitions of his opponent, sometimes several opponents, and face any personal prejudices of the voters. An aid toward the proper segregation of issues is the constitutional amendment, approved at the November election, providing that when an officer is recalled his place shall be filled in the manner provided by law for filling a vacancy in the office —generally appointment, but in some cases special election. Where the vacancy is filled by appointment, the amendment also removes a difficulty (sometimes serious enough entirely to block a popular recall movement) of securing a fit candidate willing to enter into a disagreeable contest with the incumbent. It is unfortunate that the amendment does not prohibit the appointment or election of the recalled officer. It is improbable that the power of appointment will be thus abused; but, where the vacancy is to be filled at a special election, it is quite certain that candidates will be in mind at the earlier recall election, with resulting confusion of issues.

J. D. B.

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Pasadena Re-affirms Faith in Manager Plan.—By a margin of two votes to one, the voters of Pasadena on November 2 defeated a proposition to abolish their city-manager form of government and to return to the mayor-council plan. At the same election the voters supported an amendment to the charter to strengthen the position of the city manager, who hereafter can be removed only by vote of at least five of the seven members of the city council, termed in Pasadena, the board of directors. A further amendment provides that the election of the seven members of the board of directors shall be at large, but requires that such directors shall be residents of districts into which the city is to be divided. Formerly their election had been at large without restriction. The victory for the city-manager forces brings to a climax a fight of several years' standing on the part of factions seeking to revert to the mayor-council system and those who wish to retain the manager plan. The former were represented by three members on the municipal board of directors, and the new amendment virtually legislates them out of office and gives the people an opportunity to return a unanimous council in favor of the manager plan if they so desire.

Pasadena has been under the city-manager form for nearly six years. During the first four years of this period, under the able managership of C. W. Koiner, the utmost harmony prevailed among the council. A great amount of public improvement work was inaugurated and $3,500,000 in bonds were voted for a new civic center including city hall, library and auditorium. The seven men comprising the board of city directors were of the highest type of businessmen. The board, however, did not include in its membership representatives of the laboring and small home-owning classes of citizens. To them the rapid expansion of public improvements meant high taxation on their small properties, and considerable popular resentment against what seemed to them to be extravagant improvements was developed.

It would seem that the last election has cleared the atmosphere. Pasadena will retain the manager plan under a council designed to be more closely representative of all the interests in the community.

*

Public Management.—Beginning with the December issue, *City Manager Magazine*, the official publication of the International City Managers' Association, will bear the new name of *Public Management.*

This charge, which was decided upon at the thirteenth annual convention of the association held in Colorado Springs in September, is the direct result of the growth of the magazine, and the expansion of the service of the association.

Eight years ago, *City Manager Magazine* had its beginning as a four-page mimeographed monthly bulletin sent to city managers and other persons interested in scientific public administration, as a means of keeping them in touch with one another, according to John G. Stutz, executive secretary of the association and editor of the magazine. Today it has grown into a monthly magazine of approximately 70 pages, and numbers among its subscribers, not only city officials of city-manager cities, but also public managers and administrators of all classes of municipalities, chambers of commerce, civic bodies, colleges and universities, public libraries, and citizens interested in public affairs.

*

Santa Barbara Abandons Manager Government.—Santa Barbara, California, adopted a new mayor and council charter on November 16, replacing the council-manager charter which has been in operation since January, 1918. The vote was 3,452 for and 2,186 against the new plan. One of the most hectic of political campaigns was waged over the proposed charter. The opponents condemned it because it destroyed the business form of government which had been entirely successful and substituted a political form giving an elected mayor "despotic" powers of appointment and removal.

The charter provides for a council of six to be elected by wards, a mayor, attorney, police judge, assessor, and a board of education to be elected by the people. The mayor is to appoint, subject to confirmation by the council, an engineer, a clerk and auditor, a treasurer and collector, a superintendent of the water works, a park commission of five, a board of health of six, five library trustees, three police and fire commissioners who in turn appoint the police and fire chiefs, a board of three fire and police pension commissioners, and five harbor commissioners. This charter is a long cumbersome document of 154 sections and follows in general plan the one recently adopted in Los Angeles.

Porterville, California, has recently adopted a council-manager freeholders charter of the orthodox type. This charter follows closely in plan and verbiage the other council-manager charters adopted in California cities and becoming more or less of a model for adoption by cities of the fifth and sixth classes.

EDWIN A. COTTRELL.

✣

The Iowa Primary Little Used.—Following the primary election of 1924 a tabulation was made to set forth the main facts relative to its use in the county elections of Iowa. The results are found in the NATIONAL MUNICIPAL REVIEW (December, 1924).

To determine whether there is any consistency in party practice another survey was made after the June elections of 1926. Republican ballots were secured from 62 of the 99 counties. Democratic from 60. The total number of offices involved is therefore slightly greater than in the earlier report.

The Republicans were to make nominations to 434 offices. Of this number 170 were contested. In 1924, in 59 counties, there were 175 contests. For 37 offices there were no candidates, making an increase of fifty per cent approximately, when compared with 1924. A smaller, but noticeable, decrease is found in the number of offices for which but one candidate filed.

The number of offices to be filled by the Democrats was 420. With one more county involved, their contests were reduced from 28 to 27. Those for which there was no contest were reduced from 191 to 176, showing a corresponding increase in the number for which they had one candidate.

The office of coroner continues to be the one in which there is the least interest. In 12 counties no candidate filed for either party.

Slightly more than half the total number of counties reporting were among those listed two years ago, making it impossible to make an accurate comparison. The statistics tend to show, however, that the primary does not result in a general, spirited contest. It is used most actively, however, in selecting a nominee for the offices of sheriff and attorney. An elastic compensation and varied possibilities doubtless cause an active interest in these positions.

W. L. WALLACE.

Iowa State Teachers College.

✣

Alameda County Adopts Home Rule Charter.—The county of Alameda, California, including the cities of Oakland, Berkeley, Alameda, and Richmond, and ranking next to the counties of Los Angeles and San Francisco in population, adopted a freeholders home rule charter at the recent November election. The unofficial vote was 41,237 for and 34,302 against the proposal. The major features of this new charter are the shortening of the elective officer list, the inclusion of a well planned personnel regulation, an adequate budget and accounting procedure, scientific appraisal of property by experts in addition to that of the regularly elected assessor, and a provision that county officers may assume municipal functions when so requested by the cities within the county.

EDWIN A. COTTRELL.

A MODEL
REGISTRATION SYSTEM

REPORT
OF THE
COMMITTEE ON ELECTION ADMINISTRATION
OF THE
NATIONAL MUNICIPAL LEAGUE

Supplement to the
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FOREWORD

The systems of registration for elections generally in vogue in the United States are inconvenient to the voter, expensive in operation and ineffective in preventing fraudulent voting. The get-out-the-vote movement has attracted much popular attention to the first defect, and for a considerable while students have been acutely conscious of the second and third.

The following report describes concisely present systems of registration in the United States and the manner in which they are operating.

Part III sets forth in detail the specifications for what the committee believes to be an effective method of registration, meeting the criticisms leveled at present practices. These specifications do not contain untried theoretical proposals, but rather consist of the best features of the most successful existing registration systems. Due to the widely varying election systems among the several states, the committee has made no effort to draft a model statute governing registration. The specifications for such a statute, however, have been set forth in detail, with comment on each point; and may be readily fitted into the election framework of a particular state.

The committee is deeply indebted to its secretary, Dr. Joseph P. Harris, of Madison, Wisconsin, who has visited all parts of the United States in a study of registration systems, under a traveling fellowship granted by the Social Science Research Council.

The original draft for the criticism of the members of the committee was prepared by him and the final draft published herewith was revised by him in accordance with the instructions of the committee. Dr. Harris will soon publish a book on the subject discussing at greater length the results of his researches.

The Committee on Election Administration.

Charles E. Merriam, University of Chicago, *Chairman.*
Joseph P. Harris, University of Wisconsin, *Secretary.*
Albert S. Bard, Vice President, Honest Ballot Association, New York.
W. W. Connor, State Senator, Seattle.
Oakley E. Distin, Chief Supervisor of Elections, Detroit.
Mayo Fesler, Director, Cleveland Citizens' League.
W. P. Lovett, Secretary, Detroit Citizens' League.
Walter Matscheck, Director, Kansas City Public Service Institute.
Harley G. Moorhead, Former Election Commissioner of Omaha.
H. A. Nichols, Election Commissioner, Rochester, New York.
F. L. Olson, Assistant Director, Bureau of Municipal Research, Pittsburgh.
Helen M. Rocca, Secretary, National League of Women Voters.
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A MODEL REGISTRATION SYSTEM

PART I

THE NEED OF REGISTRATION IMPROVEMENT

There are three outstanding criteria by which any registration system may be appraised: namely, first, convenience to the voter; second, cost of operation; and third, effectiveness in preventing fraudulent voting. At the present time, because of the growing concern over the decrease in voting, the greatest emphasis is placed upon the convenience to the voter. It is widely believed that existing systems require modification and amendment to make the process easier for the voter. The problem of non-voting cannot be solved by improving registration alone, but this is one of the most practical steps which can be taken in the direction of stimulating voting. The campaign to get the voters registered is usually half of the entire campaign to get the vote out, and a convenient system makes it possible for civic organizations and patriotic citizens to work more effectively. Cumbersome and inconvenient registration systems are a deterrent to voting, particularly independent voting, but are a positive asset to the strong political machine, which sees to it that its controlled voters are always registered while the independent voter neglects or forgets to register and loses his vote. The vigorous opposition of the political machines of Pennsylvania, Ohio, Illinois and other states to registration reform affords convincing proof of this statement.

It is impossible even to estimate the cost in time and bother to the mass of citizens to keep registered under existing inconvenient registration systems. In a number of states they must register every year, and are permitted to register only on two or three specified days when sessions are held in the precinct. This seems to the politician a simple requirement and a convenient system, for he knows the exact days, the hours, and the place for registration; it is his business to know these details and to remind his voters of them. But to the average citizen with no professional interest in politics it is a great bother. He must watch the papers for announcements of the registration days and places; other interests may be pressing on these particular days and he may put the duty of registering off until the last day and then forget about it. He may go to the polls to register on the way to work and find that there is a long line waiting. If he changes his residence he is required to register again, regardless of the fact that he has already registered during the same year.

In some states, a new registration is held only every two years or every four years, which is a distinct improvement in convenience to the citizen. Still, under such systems the citizen is not always sure just when he is required to register anew, and always he has to register anew when he moves. If he does not keep track of the particular days of registration he may find himself unregistered after the last day has passed. Most existing registration systems were enacted before any consideration was given to the idea that participation in elections should be made easy and convenient for the voter. Such systems can be justified only upon the ground that they are essential to clean elections—an argument which is frequently made, but inadequately supported with facts.

Under the best systems of registration the voter, once registered, remains registered for life, or as long as he continues to reside within the city or county in which he is registered. If he changes his residence within the city or county he is permitted to transfer his registration to his new address by merely mailing to the registration office a request for such transfer, and in Boston even this is done for him without any bother on his part, through the annual census of all residents. In most registration systems the voter has only a few days in the year in which he can register, but in a few systems he is permitted to attend to registration any day (except Sundays and holidays) throughout the entire year.

The money cost of most existing registration systems is unduly high, averaging for most large cities between fifty cents and one dollar annually per registered voter, though the cost under some of the best registration systems of the country is less than twenty-five cents per registered voter annually. The cost of registration per registered voter annually varies all the way from 12.5 cents in Milwaukee, and even less in some smaller cities, to $1.33 in Philadelphia. If Milwaukee can operate one of the best registration systems in the entire country at a cost of only 12.5 cents annually per registered voter, it can be said with reason that any system which costs more than twice that amount is unduly expensive. Registration systems found in large cities usually cost from four to eight times this amount. The average annual cost of registration in Kansas City, Mo., for example, is $127,784.07, or 84.2 cents per registered voter. If a registration system were adopted which could be operated at 25 cents per registered voter annually, the cost would be reduced to approximately $37,875.00 annually, at a saving of approximately $90,000.00 annually. The cost of registration for most places, including rural sections as well as cities, could easily be reduced to a half or a third of the present cost through a sound system of registration, which would also be more convenient to the voter and more effective in preventing voting frauds.

The registration systems to-day which are the most expensive and most burdensome upon the voter are at the same time the least effective in preventing fraud. Philadelphia and Chicago with the most expensive systems of registration in the country also have the greatest amount of election frauds. Effectiveness in preventing registration frauds does not come through the expensive process of conducting a new registration annually or biennially or through an obsolete system of records. Too much emphasis is placed at present upon the mere act of recording the registration of voters with too little emphasis upon investigating and purging the registration lists of dead weight. The latter is the crucial part of the registration system of any large city.

No one can determine with accuracy the amount or kinds of voting frauds which are now carried on. Investigations of election frauds have always shocked the unsuspecting citizen who supposed that elections were honestly conducted because he saw nothing out of the way in his own precinct. Recent investigations in Chicago and Philadelphia indicate fraudulent voting upon a wide scale and doubtless similar investigations in other cities would produce similar results. With the movement for increased participation in elections there is likely to come a breaking down of the requirements of registration systems, with a consequent return to the gross election frauds of previous years. What is needed is to modify existing registration systems for the convenience of the voter, but to retain and strengthen the features which afford protection against fraudulent voting.

Most existing registration systems are woefully out of date. The records used are those of the general type prevailing fifty years ago, and the procedure has undergone little change within that period. Practically the entire amount of clerical work of election offices is still written out by hand, and many large election offices do not have a single competent stenographer or typist. There are, however, a number of registration systems found in different states which are up-to-date in records, equipment, and procedure, and afford a striking contrast to the usual system. The principal features of these systems, which have operated successfully in actual practice, may be combined to form a model system. There is nothing theoretical or academic about the preparation of specifications for a model registration system, based upon the actual experience of various successful systems now in use. There is no one system which is entirely successful in all respects, but a model system would consist of features drawn from all of the best registration systems now in operation. The specifications of the proposed model registration system have not been spun out of thin air in the academic style of closet philosophers. They are based upon the existing systems as they actually operate, and consist entirely of provisions which are already in use in one or more places.

What are the essentials of a model registration system? The three outstanding objectives of a registration system are obvious: namely, convenience to the voter, economical operation, and effective prevention of voting frauds. Convenience to the voter is a relative matter, but the most practical forward step is to make registration permanent and to provide for an easy method of transfer to take care of the voter who changes his residence. The voter should be accommodated by having registration conducted throughout the year, or at least for several months prior to the election, and in large cities registration offices should be opened up in various sections of the city during the closing days before elections.

Economical operation of registration systems is to be secured principally through permanent registration, thus avoiding the high cost of a new registration every one, two, or four years, and also by doing away with precinct registration, which is the most expensive feature of existing systems. The clerical work in the registration office may be greatly reduced through a good system of records.

Effective prevention of voting frauds can be secured only through thorough provisions for purging the registers of dead wood, and by identifying the voter when he applies at the polls to vote. The registration lists may be purged most effectively by the use of death reports, cancellation for failure to vote, and in large cities, by a house to house canvass of registered voters, or a census of all adult residents, checked later against the registers.

These are only a few of the outstanding mechanical features of the most successful registration systems of the country. A sound registration system requires careful attention to many other details which cannot be considered here but which are taken up in detail in Part III of this report. It also requires competent and responsible personnel, which is the exception rather than the rule under existing election administration. In general, it may be said that the most needed reform in the personnel of registration and election administration is to substitute responsible individual control in the place of the present irresponsible control exercised by party machines.

Is it possible to set up a model registration system which would be suitable for the various states, including rural sections and cities? The problem of registration varies somewhat from state to state, but particularly is the problem different in large cities than in smaller cities and rural sections. Larger cities require greater care in investigation and purging of the registration lists, though in most other respects the variation in the size of cities does not call for different registration administration. In some states the party machines are stronger and the problem of fraud greater, requiring greater safeguards against frauds than are necessary in other states where the party machines have largely broken down.

Many large cities have registration systems that would be totally inapplicable to rural sections and smaller cities, but these systems are unsound and cumbersome, and are in reality not adapted even to the largest cities. The essential features of a sound registration system are applicable, in the main, to the entire country. It is true, however, that the exact language of a registration law should be drafted to fit into the election law of the particular state for which it is designed. Usually it will be necessary to carry along the existing election machinery for the conduct of registrations as far as possible. For these reasons it would be difficult to draft a model law which could be used in the several states without serious modification. It has been felt to be more expedient to set forth the recommendations in the form of specifications. These specifications do not provide a ready finished product which may be adopted *in toto* for individual cities or states, just as a model city plan or the principles of city planning do not provide a city plan for a particular city. The registration law for any city or state should be drafted with careful attention to the local election law and organization, as well as any peculiar local problems, and should be prepared by a competent person who has a thorough knowledge of registration administration.

PART II

PRESENT STATUS OF REGISTRATION FOR VOTING IN THE UNITED STATES[1]

1. PURPOSE OF REGISTRATION

THE requirement of registration for voting is probably the most important means taken to safeguard the ballot box from fraudulent votes. Before registration was required gangs of "repeaters" were organized in many cities and voted successively in one precinct after another. Even under the loose systems of registration first enacted this practice still prevailed in many cities. Usually the "repeaters" were voted under fictitious names placed upon the registers for the purpose, but if the political situation required it, they were also voted under the names of *bona fide* voters. During these "good old" days it was quite common for the voter to find that some one had already voted under his name—a thing which even happened to very prominent men. If he protested, he was likely to be thrown out of the polling booth bodily, and if he did not then desist, a policeman would be called to arrest him for disorderly conduct.

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[1] For an excellent brief description of registration systems see a pamphlet by Helen M. Rocca, *Registration Laws*, published by the National League of Women Voters, Washington, D. C. (1925).

The best accounts of the registration systems of individual cities is contained in a series of articles in the NATIONAL MUNICIPAL REVIEW as follows:

F. L. Olson, *Permanent Registration Successful in Minneapolis*, Sept., 1924.

J. P. Harris, *Registration for Voting in Milwaukee*, Oct., 1925; *Registration for Voting in San Francisco*, April, 1926, and *The Permanent Registration System of Boston*, Sept., 1926; *Permanent Election Registration in Omaha*, Nov., 1926.

Colonization and impersonation have been used to swing close elections in cities with corrupt political machines, where the registration system was weak, or corruptly administered. These forms of fraud, however, were found to be expensive, cumbersome, and somewhat dangerous, and in many cities came to be discarded for a later and more efficient method of stealing the election. This method was to pad the registration list with the names of persons who had died or moved away, and fictitious names, sometimes from fictitious addresses, and on the day of election have the corrupt precinct election board check off the names and drop the ballots into the box, without the bother of sending "repeaters" around to do this. This is the most prevalent form of voting fraud today.

The main purpose of registration is to afford time for the investigation of the qualifications of those who claim to be qualified electors. Without some form of registration, the election judges at the polls must pass then and there upon the qualifications of all persons who claim the right to vote, and the "repeater" incurs little danger of detection and punishment.

It must be borne in mind, however, that the requirement of registration, *per se*, is not effective in preventing voting frauds. Some of the most flagrant cases of voting frauds have been carried out under a cloak of protection offered by a weak or defective registration system. Unless effective means are taken to investigate the qualifications of those who are registered, and the registration list kept clean of dead weight or fictitious registrations, registration may do more harm than good.

A second outstanding purpose of the requirement of registration is to identify the voter at the polls. If each applicant to vote is identified as to whether he is the identical person registered, most voting frauds will be effectively prevented. Registration systems usually contain certain features designed to identify the voter, but, in the main, the methods used are obsolete and practically valueless. In a few places, however, the voter is positively identified by the use of his signature, which is required when he registers and also when he votes.

2. CONSTITUTIONALITY OF REGISTRATION LAWS

The constitutionality of registration laws has been attacked in the courts of almost every state, but, in the main, registration laws which do not necessarily deprive any group of voters of the right of suffrage, or are not otherwise unreasonable, have been upheld, and the question of constitutionality is largely closed. In a few states compulsory prior registration has been held unconstitutional on the ground that the franchise, granted by the constitution, is in force and effect on the day of election, and any person qualified to vote may not be deprived of the right by any requirement that he register beforehand.[1] Under these decisions it is necessary to provide some means whereby the unregistered elector may swear in his vote at the polls—a provision which works badly and breaks down in the precincts where protection is most needed.[2] Fortunately, the courts have generally held that compulsory prior registration is valid if the voter is given a reasonable opportunity to register.[3] It was early held in the leading registration case, Capen *v.* Foster,[4] by Chief Justice Shaw that registration does not constitute an additional suffrage qualification, but is a reasonable regulation thereof.

A registration law which did not provide for sessions prior to every election was held invalid on the ground that it in effect disfranchised one group of voters,[5] and a recent decision in Kentucky held a registration law unconstitutional because it provided only one day of registration sessions each year.[6] Registration acts which have provided for the close of registration longer before the election than the minimum residence requirements have been held unconstitutional.[7]

Where the population of a state is partly urban and partly rural, especially if there are large cities, there arises the necessity for providing a separate registration system for the largest cities. In some states cities are classified upon the basis of population for the purpose of enacting registration laws. This classification has been attacked in a number of states, but, in general, has been upheld unless there is a constitutional prohibition of classification of cities, or a specific provision that all election laws shall be uniform throughout the state. The constitutional provisions that elections must be "free and equal," [8] or that all election laws must be "general," [9] has not been held to deprive the legislature of the power to classify cities for the purpose of providing registration laws.

3. The Requirement of Registration

Some form of registration is required for voting in forty-six states, though in eleven of these states registration is required only in cities.[10] In Arkansas registration is prohihited by the state constitution,[11] and in Texas registration is permitted by the constitution only in cities of over 10,000 population.[12] These two states, however, require the production of a poll tax receipt, which serves in a way as a substitute for registration. While registration is almost universally required in cities, it is generally believed that registration is not important for rural sections where the voters are personally acquainted with one another. A number of states do not require registration in rural sections, and other states provide only a very weak system, under which the rural voter is not required to apply for registration.

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[1] State *v.* Moorehead, 95 Neb. 80 (1914); Dells *v.* Kennedy, 49 Wis. 555 (1880); White *v.* Multonomah County, 10 Pac. 484 (Oregon, 1886).

[2] There are eight states which have some form of non-compulsory registration (Iowa, Mich., N. M., N. D., Ore., S. D., Wis., and Wyo.), while four other states have non-compulsory registration for a part of the state, and compulsory registration for cities of varying sizes (Ill., Minn., Neb., and Pa.). In some of these states, however, the constitutionality of compulsory prior registration has not been tested in the courts.

[3] The two leading cases are: State *v.* Butts, 31 Kan. 537 (1884); and People *v.* Hoffman, 116 Ill. 587 (1886). There are many other cases.

[4] 12 Pickering (Mass.) 485 (1832).

[5] Perkins *v.* Lucas, 246 S. W. 150 (Ky., 1922); People *v.* Strassheim, 240 Ill. 279 (1909).

[6] Perkins *v.* Lucas, 246 S. W. 150.

[7] Page *v.* Allen, 58 Pa. St. 338 (1868); Owensboro *v.* Hickman, 90 Ky. 629 (1890); Attorney General *v.* Detroit, 78 Mich. 545 (1889); *contra:* State *v.* Mason, 155 Mo. 486 (1899).

[8] Ladd *v.* Holmes, 55 Pac. 714 (Ore., 1901); De Walt *v.* Bartley, 146 Pa. St. 529; People *v.* Chicago Board of Elections, 221 Ill. 9 (1906).

[9] People *v.* Gordon, 274 Ill. 462 (1916), citing cases.

[10] Iowa, Kansas, Kentucky, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Tennessee, Wisconsin, and Wyoming. The size of the cities above which registration is required varies from 800 population in North Dakota to 100,000 in Missouri.

[11] Constitution of 1874, Art. III, Sec. 2.

[12] Art. 6, Sec. 4.

Registration is usually made a compulsory requirement for voting: that is, the registration books are closed at a specific time before the day of election, and no one may vote who is not duly registered. There are, however, twelve states which provide for noncompulsory registration, permitting an unregistered person to "swear in" his vote at the polls by the production of one or more witnesses.

As a general rule, registration systems apply alike to all elections conducted within the jurisdiction, but there are a few states which require registration for general county and state elections only, making no provision for municipal, primary, judicial, or special elections.[1] There are other states, however, which provide two or more separate and distinct registration systems, side by side, with one registration for municipal elections and an entirely different registration system for county and state elections.[2] The voter is required to maintain his registration under both systems in order to exercise the suffrage.

4. Frequency of New Registration

Registration systems vary in the length of time which the registration is in force from annual to permanent. Under annual registration the voter must register every year in order to vote, and oftener if he moves during the year. Under permanent registration systems the voter remains registered so long as he continues to reside at the same address, and some systems provide means whereby he may transfer his registration from one address to another, avoiding the necessity of registering anew when he changes his residence. Under such systems the voter is registered for life, or at least for so long as he continues to reside in the same county or city.

Other systems of registration require a new registration every two years, four years, and in one case six years and in another ten years. The extent to which permanent registration is used is indicated in the following table:

Permanent Registration

In State-Wide Use	*Used in Part of State*
Alabama	Florida
Connecticut	Kansas
Georgia	Kentucky
Idaho	Louisiana
Indiana	Maryland
Maine	Michigan
Massachusetts	Minnesota
Mississippi	Nebraska
Montana	New Jersey
Nevada	Rhode Island
North Carolina	Wisconsin
Oklahoma	
Oregon	
Utah	
Virginia	

It would be unduly tedious to set forth here the practice in states which have periodic registration. A number of states have permanent registration in part, and also annual, biennial or quadrennial in other parts. It is worth while to present, however, the practice in some of the largest cities.

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[1] For example, no registration is required for voting in the primary in Indiana, part of Illinois, Iowa, and for certain classes of voters in New Jersey. Oregon and a number of other states do not require registration for school elections, while parts of Illinois and West Virginia do not require registration for municipal elections.

[2] This is true of Idaho, Georgia, Colorado, West Virginia, and parts of other states.

FREQUENCY OF NEW REGISTRATION IN THE LARGEST CITIES

Annual	*Biennial*
New York City	Chicago
Philadelphia	San Francisco
Cleveland	Los Angeles
Pittsburgh	Seattle
Cincinnati	Memphis
Rochester	
Buffalo	

Quadrennial	*Permanent*
Detroit	Boston
Baltimore	Milwaukee
New Orleans	Minneapolis
St. Louis	St. Paul
Kansas City	Omaha
	Denver
	Portland

A number of states have registration systems which are annual in form, but practically permanent in operation. In these states the registration officers are directed by law to meet on specified days annually and to prepare from their knowledge a list of qualified voters of the precinct. They usually simply copy the register of the preceding year, making additions and omissions to correct it up to date. Frequently the precinct registration officers are none too careful to correct the list, and consequently many names are carried along on the registers for years after the individuals have died or moved away. In the practical operation of this system the elector has his name continued on the registers without any effort on his part as long as he continues to reside within the precinct, and sometimes afterwards.

5. REGISTRATION OFFICERS

The administration of registrations is ordinarily placed in the hands of the officers who are charged with the conduct of elections, and the problems of registration officers and election officers are coincident. No attempt will be made in this report to cover fully and adequately this complicated problem, but attention will be given to the phases of the problem which are of most significance to registration.

There is at present very little control or supervision over registrations exercised by state officers. Elections remain largely decentralized. In most states the secretary of state is given some nominal powers in relation to registration and elections, such as the preparation, publishing, and distribution of copies of the election laws of the states. In a few states he also furnishes election forms and blank records, which involve a printing contract of some political significance, and in Ohio he appoints the county election boards and exercises other powers over election.

In fourteen states the governor is given some power in connection with elections, usually an appointing power, either of the state election board in some Southern states, the election board of the largest cities in a number of states, or in Delaware the precinct officers themselves. This power of appointment in most states is more nominal than real. By custom or law the governor usually rubber-stamps the appointments of the party organizations, and the real selection is made by them. In a few states, however, this has not been true, and better election officials have been selected.[1]

The state election boards found in a

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[1] The most striking example of this is found in Omaha, where the first election commissioner of the county, appointed by a Democrat, was reappointed by Republican governors, and the second election commissioner, appointed by a Republican, has been continued in office by succeeding Democratic and Republican governors. The custom is pretty well established of keeping the office out of politics.

few Southern states are merely appointing bodies, and make appointments upon the recommendations of local party leaders. These state boards do not maintain offices or otherwise exercise any appreciable amount of supervision over election administration.

The county, city, or town is everywhere made the local unit for the administration of elections and registrations. For the most part the routine work is usually performed by precinct officers sitting in regular sessions in the precincts, but the supervision and control, to the extent that it exists, is exercised by county or city officers. In New England states and also in a few other states in the North,[1] city or town officers are given exclusive control of registration, but in the South and in most Northern states the administration is placed in the hands of county officers. In a few states the largest cities have control of registration and elections within their borders, while the counties have jurisdiction elsewhere in the state.[2] Where the county and the city are both given jurisdiction in the matter, the two offices frequently exist side by side, and frequently in the same building.[3]

As a general rule, the administration of elections and registrations are both handled by one office, though in a few states registration is separated from election administration, with consequent duplication of office records, equipment and force.[4] In some states the conduct of registration and elections is divided between a number of city or county officers.[5]

One or more of the regularly constituted city or county officers are usually placed in charge of registration, but many of the larger cities and more populous counties have a special board. The county or city clerk is usually given the handling of the routine matters and instruction of precinct officers in places where a special board does not exist. In a few places the county or city clerk is given practically exclusive control of elections, but the general rule is for him to share the power with the county board or the city council. These latter bodies usually are given the power of appointing the precinct officers. In a few states the county auditor or some other officer is placed in charge of the routine of elections.

Where a special election office is created, the customary organization is a board with bipartisan representation. The status of these special election boards or offices in a number of phases is indicated in the following table: See next page.

The permanent office force varies greatly from place to place in such items as number, salary, term, qualifications, etc. In general, however, it may be said that it is almost always bipartisan, with actual selection made by the two party organizations. The outstanding exceptions to this rule are found in Boston, Detroit, San Francisco, and Omaha. In Boston and San Francisco the office employees are under the civil service system of the city. The general clerical qualifica-

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[1] Iowa, Kansas, Minnesota, Missouri, Pennsylvania, and Wisconsin.

[2] Delaware, Illinois, Indiana, Louisiana, Maryland, New York, Virginia, Washington.

[3] This is found in Chicago, Seattle, Kansas City, and other places.

[4] This is true of a number of Southern states and Pennsylvania.

[5] An example of the division of the administration of elections is found in Hudson and Essex counties, New Jersey, where the county election board, the county clerk, a superintendent of elections, municipal clerks, the police departments of the cities, and now the newly created officer of registrar of voters, all have a hand in election matters.

ELECTION BOARDS AND COMMISSIONS OF CITIES[1]

City	No. of members	By whom appointed	Term (years)	Annual salary	Appointed upon official party recommendations	Subject to budgetary control
Boston	4	Mayor	4	$6,000 5,000	No	Yes
New York City	4	Aldermen	2	8,000	Yes	Yes
Philadelphia	5	Governor	4	4,000	No	Yes
Baltimore	4	Governor	2	2,500	Yes	Yes
Pittsburgh	4	Governor	4	3,000	No	Yes
Cleveland	4	Secretary of State	4	4,487[2]	Yes	No
Cincinnati	4		4	3,396	Yes	No
Chicago	3	County judge	4	4,000	No	No
St. Louis	4	Governor	4	3,000	No	No
Detroit	3	See note[3]	2	5,000 2,000	No	Yes
Milwaukee	3	Mayor	3	1,260	Yes	Yes
San Francisco	5	Mayor	4	1,000	No	No
Rochester	1	See note[4]	4	4,500	No	Yes
Omaha	1	Governor	2	4,500	No	Yes
Denver	3	See note[5]	4	1,000	No	Yes

[1] The jurisdiction of the election board of Cincinnati, Cleveland, Rochester, and Omaha includes the county in which these cities are located.

[2] The compensation of the election boards of the counties of Ohio is fixed by state law upon the basis of the number of precincts within their jurisdiction for each election conducted, and consequently varies from year to year. The figures given in the table are an average for a four year period on the basis of the present number of precincts.

[3] The city clerk, the president of the common council, and the judge of the recorder's court constitute the election board of Detroit. All three are popularly elected.

[4] The election commissioner of Rochester is appointed by a board consisting of the county judge, the special county judge, and the surrogate.

[5] The election board of Denver consists of two popularly elected members and the city clerk, who is appointed by the mayor.

tion of the employees of most election offices is very low, for selections are made upon the basis of party considerations.

The number of permanent employees varies greatly from one city to another, even when due consideration is given to the size of the cities. In Milwaukee only two permanent employees are used, while Baltimore employs 14 and Boston 44. Of course, the amount of work to be done depends upon the system, the use of temporary employees, and the amount of work shifted upon the precinct officers. Nevertheless, it is unquestionably true that most election offices at present carry more permanent employees than the work requires.

The policy of election offices in regard to the use of extra employees during the rush period varies: some offices rely upon temporary employees to do the bulk of the routine work, using the regular force for instruction and supervision; other offices rely upon extra help much less, while Baltimore and a few other places employ either no extra help at all or only a negligible amount. The extra employees are almost always recruited through the party organizations, and the customary wage is $5 per day, though in Providence only $3 per day is paid, while Detroit, St. Louis, and Kansas City pay $6 per day. The qualifications of the extra employees is well indicated in the following statement of a chief clerk of the election office in a large city:

> We get lots of people as extra clerks who have little education, but there is always quite a bit of labor to be done in handling the books, getting the booths ready, and the like, and we put them to doing these things, and are able to use almost all of them in one way or another.

In most registration systems the bulk of the work falls upon the precinct officers, though there are some systems which do not conduct registration by precincts, and consequently do not require precinct officers. The proposed model registration system does not provide for precinct registration, and accordingly only a brief treatment of the present precinct officers will be included.

The number of officers used in the precinct varies from one to six. It is incredible that six persons should be employed to do the same work which is done in other places by a single officer, but such is the case.[1] The most striking example of the variation of the number of precinct officers is found in Missouri, where in St. Joseph, a city of 77,000 population, only one precinct officer is used, while St. Louis uses six. The following table shows the practice in this regard in a few large cities:

PRECINCT OFFICERS

City	No. of officers to the precinct	Salary (per day)
New York City	4	$4.00 (evening) 10.00 (day)
Philadelphia	4	10.00
Baltimore	4	8.00
Rochester	4	7.50
Cleveland	2	4.00
Chicago	5	7.00 and 5.00
St. Louis	6	6.00
Detroit	2–3	10.00
Denver	3	3.00
Salt Lake City	1	3.00

Precinct registration is expensive, especially where a number of officers are used. The city of Baltimore may be taken to illustrate the cost in cities having four or more precinct officers. The cost is higher in some cities than it is in Baltimore. The cost of a new registration amounts to an average of $190.00 per precinct, consisting of four officers at $8.00 per day for five days each, and an average rental cost of $6.00 per day. The average number of voters to the precinct in Baltimore in 1922 was 319, making the cost of original registration per registered voter 59.5 cents. It is interesting to note that in California the customary fee rate to field registration officers is 8 cents per registration. The precinct cost for intermediate registrations at which a new general registration is not required runs much higher per voter handled. The data on the cost per voter for intermediate registrations are not available for Baltimore, but in Chicago it averaged $4.27 per voter for the intermediate elections between 1916 and 1923. The precinct cost for some intermediate registrations in Chicago during this period ran over $10.00 per voter. Detroit had the same experience and did away with precinct registration except when a new general registration is held. Precinct registration is necessarily expensive, though the cost is lower than the above in many places where fewer officers, fewer numbers of days, and lower salaries are paid.

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[1] The states using only a single precinct registrar are, it is true, largely rural, and consist of the following (in all or part of the state): Florida, Idaho, Michigan, Missouri, Montana, North Carolina, Oklahoma, Oregon, Utah, Virginia, West Virginia, and Washington.

The precinct officers of registration are almost always appointed upon the recommendations of the party organizations. Detroit, Omaha, and St. Louis are notable exceptions to this rule, where the election officers have made appointments irrespective of the party machines, and have secured a much higher type of official.

The party organizations use the precinct positions to reward the faithful and to control as many votes as possible. The precinct election positions constitute an appreciable item of patronage—over 10,000 positions in Chicago and 30,000 in New York City. Election and registration frauds are perpetrated or made possible by the corrupt precinct officials named by the party machines of the large cities for the precincts in the worst sections.

6. Registration Records

The most important registration record is the precinct register of voters. The typical register consists of a bound volume, ruled into columns to record the various items, with the registration of each voter recorded upon a single line across two pages.

The number of registers to the precinct varies from one to four. Two is the usual number. The information required for registration varies from state to state, and is too complicated to be presented here. In a number of the largest cities the register contains thirty or more columns to record this information, which includes not merely the name, address, age, naturalization record, length of residence in the precinct, but also various items of personal description, such as height and color of eyes, also occupation, name of employer, conjugal state, exact location of residence, and many other items. The records are clumsy and contain much data which is of no possible use in connection with registration. In many states the signature is not required, though it is unquestionably the best means of identifying the voter at the polls. A number of states have recently repealed the requirement that the voter state his exact age, because of the objection raised against this by voters of both sexes.

In a few states the registration records consist of individual cards or loose-leaf forms, which are placed in locked binders and sent to the polls. Individual registration records are now in use in Milwaukee, Minneapolis, St. Paul, Omaha, and the states of California, Oregon, Montana, and Nevada.

In many large cities lists of voters are printed before each election. These lists are usually arranged in order by streets and numbers for each precinct, and are called printed street lists, though in some cities they are arranged alphabetically by precincts. The cost of printing these lists is considerable, ranging from 5 to 15 cents per name.

Detroit and Baltimore have discontinued the use of these lists as a measure of economy, and election officials in some other cities believe that they are not worth the cost. They are used principally by party workers, but are made available, usually free, for other persons as well. In Omaha and a few other places the burden of preparing such a list is placed upon the party organizations, who are required to pay for the clerical work incident to copying the lists of voters on the typewriter.

The other records of the election offices in connection with registration are meagre. Nowhere are adequate personnel records kept of precinct officers, and most offices make no attempt to maintain a personnel record of the permanent or temporary office employees. The minutes of the election board are frequently the only record kept of the official transactions of the office, and these are usually extremely meagre. In a large eastern city extensive investigations of registration frauds were made recently and a system of records had to be devised on the spur of the moment. There is scarcely a single office in the entire country which maintains a systematic account of complaints, fraud cases, irregularities, and the like.

7. Application for Registration

The elector is usually required to appear in person before the registration officer or board, though there are many exceptions to this rule, especially in rural sections. Usually the application for registration must be made before the board or officer at a regular session for registration in the precinct, but in a few states the rural registration officer is permitted to receive applications at any time.[1] In many states personal application is not required in rural communities, and the precinct board of registration is authorized to prepare a list of voters whom they know to be qualified.[2] Where this system is in use the registry lists are clogged with the names of voters who no longer live in the precinct.[3] Registration systems which do not require personal application always result in inflated lists, and are of doubtful value. Where they are used in cities, it is not uncommon for the precinct politicians to hand in long lists of names to be placed upon the registers—a very questionable practice.

A written application, made before a notary or other person authorized to administer oaths, is the usual provision for absentee registration. In a few states provision is made for a written application as a substitute for personal application for any elector. In New Jersey any elector may, by asserting absence or illness (which is not seriously regarded in actual practice) make a written application for registration for seven days after the close of registration. It is said that this provision has been utilized by the party machines to pad the registration lists. In Indiana, a written application instead of a personal application may be made to the county auditor or city clerk, and the party machines have their workers made notaries in order to round up registration applications. This, in effect, makes the precinct politician a registration officer, and he takes registrations in private, rather than at public sessions.

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[1] This is true in Oregon, Montana, Nevada, North Carolina, and the house to house registration in California operates without formal sessions.

[2] This is found in all or a part of the following states: Colorado, Illinois, Minnesota, New Jersey, New Hampshire, New Mexico, New York, North Dakota, Pennsylvania, South Dakota, Vermont, West Virginia, Wisconsin.

[3] In Monroe County, New York, for example, outside of the city of Rochester in 1924 the registration exceeded the number of citizens over twenty-one years of age, according to the 1920 census, by 25 per cent. The population of the county outside the city of Rochester declined 8,779 between 1910 and 1920, and it may be assumed that there was no increase in population from 1920 to 1924.

In Detroit the elector who applies in person at the main election office for registration is required to fill in an application form, but this is done to expedite the clerical work, and does not take the place of a personal application.

8. TIME AND PLACE OF REGISTRATION

There are two extremes in the matter of the time of registration: in some places the elector may register any time during the year by applying at the registration office of the city or county, while under most systems there are only a few days for registration, which are set forth in the election law of the state. If registration is conducted at the central office, there is no reason why it cannot be open throughout the year (except during the closed period prior to the election), but if it is conducted in the precincts, necessarily the cost of the precinct officers confines the period to a few days before each election. Seattle and Detroit combine precinct registration upon a few days, and central registration throughout the year. Obviously, central, year-round registration involves an inconvenience to the voter in requiring him to come to the central office, but affords a wide latitude of time at which he may register, while precinct registration on a few specified days affords the opposite by bringing the registration near to the voter for a few specific days only. In California and part of Massachusetts and Rhode Island, central registration plus branch registration at different parts of the city is used, combining the merits of both systems, but avoiding the high cost of precinct registration.

In California registration is taken to the voter in most cities of the state by means of a house-to-house canvass at the start of a new general registration every two years. If the voter is not reached by the field officers, he may register in the wind up campaign at the central office, or at any one of the branch offices throughout the city. In most cities registration deputies are sent to public meetings, factories, clubs, and other places upon request, during the final period of registration. Many of the voters of Alameda county are registered on the ferry while going or returning from San Francisco.

The time at which registration is closed for a particular election varies considerably. In some of the Southern states it is several months before the election, while in a few states registration is conducted up to within two or three days prior to the election. Where there is a residence requirement of ten or fifteen days or some other amount of time in the precinct, it is necessary to have a registration day within that length of time before the election. Registration is usually closed two or three weeks prior to the election in order that there may be time to get out the printed lists, to investigate registration and purge the books if fraud is discovered, and to permit the election office to get ready for the election.

9. THE INVESTIGATION AND PURGING OF REGISTRATION

The most critical phase of registration is the means taken to purge the registers of dead weight, but as a general rule this is the weakest part of existing systems. Many systems make no provision whatsoever for purging the lists, except a periodic new registration. In Virginia where registration is permanent and no means are taken to keep the lists purged, the present lists contain as high as three times the number of qualified voters.[1]

In rural sections the local election officers are relied upon to correct the register from their own knowledge, but in practice they are usually negligent about striking off the names of persons known to have died or moved away. But in most rural sections the presence of dead weight upon the register is not regarded as dangerous. In some of the largest cities provision is made for a house-to-house canvass by the police or by precinct election officers to check up on the residence of registered voters. Provision is usually made also whereby any citizen may challenge the registration of any person, and have the matter passed upon before the election.

The official house-to-house canvass by election officers or the police is necessary in the largest cities, but in practice the work is frequently very carelessly done, or neglected altogether. The real problem lies in securing responsible persons who will actually make the canvass, though, of course, it is desirable to have the canvass conducted by persons who would be able to detect signs of fraudulent registration. This work is done very satisfactorily by the police in Boston and Milwaukee, but the police canvass in New York City and other cities of the state, Baltimore, Detroit, and a few other places is not regarded as entirely successful. In Boston the police department makes an annual census of all adult residents, which is used for other purposes as well as registration, and this census is checked against the registration of the preceding year, not only to purge the names of persons who have moved or died, but also to transfer the registration of persons who have moved within the city.

In a number of places the death reports secured from the officer in charge of vital statistics are used to purge the registers—a practice which is altogether satisfactory. In a few states registration is cancelled of all electors who fail to vote within a one or two year period, or at the general biennial fall elections.[2] If every voter is identified at the polls and the registers purged of those who fail to vote every year or every two years, these two measures alone will keep the registers reasonably free from dead weight.

10. USE OF THE REGISTER AT THE POLLS

The only use made of the register of voters at the polls, aside from checking it to ascertain whether the applicant to vote is duly registered, is to identify the applicant as the same person who is registered. This is very important, for with positive identification voting frauds are out of the question.

In a number of states the register contains a personal description of the voter, including height, color of eyes and hair, weight, sex, and exact age, but in practice these items are of little value. A few states use the signature to identify the voter, requiring the signature when the registration is made and also when the election is held. The signature is required for registration in thirteen states, but only in a few places, including cities in New York State, Omaha, and California is the signature required of the voter at the polls. In a number of states the signature contained in the registration record is not sent to the polls.[3]

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[1] In Norfolk, for example, the clerk of the corporation court estimated that there were 30,000 names on the books, of which number it was estimated 11,000 were dead or had moved away.

[2] Cancellation for failure to vote is found in: Iowa, Indiana, Colorado, Kansas, Minnesota, Oregon and Utah.

[3] Massachusetts and Oregon.

11. REGISTRATION AND VOTING FRAUDS

Accurate information upon the extent and kinds of registration and voting frauds which exist throughout the country is not available. Necessarily these frauds are carried on under cover, and it is difficult to make even a rough estimate for any particular city. Here and there investigations have been conducted for selected precincts in some large cities, yielding almost always abundant evidence of voting frauds, but elsewhere it is generally assumed that nothing of the kind is carried on. In Philadelphia, for example, a few years ago it was commonly assumed that the elections were free from impersonation, repeating, and other forms of voting frauds, but a recent investigation conducted by the registration commission against the wishes of the city council revealed a startling amount of fraud. The following summary of the findings in a special investigation recently conducted by Judge Edmund K. Jarecki of Chicago reveals a condition which exists in other wards in Chicago, as well as in other cities of the country where at present it is unsuspected:

> In the investigation of ten precincts of the 20th ward it was found that 211 persons were willing to sign affidavits that they had not voted; 37 admitted not voting, but would not sign; 112 were listed as voting more than once; the names of 20 dead persons were affixed to ballots; 918 voters had moved, more than 80 per cent of them before primary election day, and 1,611 voters were unknown at the addresses from which they were registered. There were 22 voters of whom information was not available; 100 registered from non-existent numbers; 42 registered from torn down houses; 22 from vacant lots; 21 from school houses; and 18 from outside the precinct. Votes were also cast in the names of five children who did not vote, the McQueeny investigation shows.[1]

While it is probably true that gross election frauds are more uncommon than a quarter of a century ago and more, and that elections have become more respectable, still it is a mistake to suppose that voting frauds have disappeared. Under lax or ineffective registration systems voting frauds are still fairly common, and the letting up of the precautions against them would result in a return to wide-scale fraud.

12. THE COST OF REGISTRATION

It is not an easy matter to estimate accurately the cost of registration in any city, owing to the fact that registration and elections are handled by the same office force, and a separate accounting of the cost of registration is not usually made. The following table, however, is the result of a careful examination of the accounts of the election offices of the cities covered, and presents an estimate of the cost which has been arrived at on a uniform basis for all these cities. There are certain items, however, such as office rent, interest, depreciation charges on equipment, and others which have not been included in this estimate. In the main, the overhead cost of election administration, including registrations, has been charged equally to registration and elections, except in a few cities where the proportion of work was exceptional.

ANNUAL AVERAGE COST OF REGISTRATION PER REGISTERED VOTER IN SELECTED CITIES

City	*Cost*
Boston[2]	$ 81.2 cents
New York City	71.8
Philadelphia[3]	1.33
Baltimore	51.5
Cleveland	76.7
Cincinnati	49.2
St. Louis	55.6
Kansas City	84.2

[2] Includes the cost of the police listing.

[3] Includes the cost of the making of the assessors' lists.

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[1] *Chicago Daily News*, Sept. 29, 1926.

Detroit	20.5
Milwaukee	12.5
Omaha	26.0
Denver	19.7
San Francisco	40.5
Portland, Ore.[1]	12.6

The cost of registration for rural communities is usually much less, but there is so much variation within the same state that it is futile to attempt to present a table showing the average cost for rural registration in various states. The salaries paid to the rural registration officers is less, the number of days of registration sessions less, and the overhead cost in most places cannot be estimated, since the work is done by the county clerk.

The above table indicates a very high average cost, but of more significance is the extremely wide variation between different cities. The fact that registration is conducted in Milwaukee for only 12.5 cents, in Portland, Oregon, for only 12.6 cents, in Omaha for only 26 cents and in Detroit for only 20.5 cents is striking evidence that it is costing too much in Philadelphia at $1.33, in Boston at 81.2 cents, and in Kansas City at 84.2 cents. Milwaukee, Portland, Omaha, and Detroit have registration systems which are superior to those found in the second group of cities, and the low cost cannot be ascribed to poor systems.

An analysis of the cost of registration throughout the country leads to the following findings:

1. Precinct sessions are the most expensive item in registration, usually amounting to fifty percent or more of the total cost. The salary cost of the precinct board plus the rental charge is unduly high for the work done, especially for intermediate elections at which a new general registration is not being conducted.

2. Permanent registration is much less expensive than periodic registration. The more frequently a new registration is conducted the more expensive is the system.

3. The cost of the clerical hire for the election office incident to registration varies greatly, largely because of the political situation rather than the amount of work to be done.

4. The printing of lists of voters constitutes a substantial item in the cost of registration, especially where a new list is printed prior to each election.

PART III

SPECIFICATIONS FOR A MODEL REGISTRATION SYSTEM

The subject matter contained in the following specifications has been divided into the following principal divisions:

A. Application of Registration Laws
B. Character
C. Frequency of New Registrations
D. Officers
E. Records
F. Procedure
G. Correction and Investigation
H. Transfers
I. Identification of the Voter at the Polls
J. Miscellaneous Provisions

In the main, the recommendations are contained in the specifications, which are explained and defended in the comment, but in a number of instances it has not been possible to follow this arrangement. Some of the comments contain alternative proposals, qualifications and exceptions to the general rule, and suggestions in regard to the administration of registration.

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[1] This estimate is for even numbered years only, there being no election ordinarily held in odd numbered years.

A. APPLICATION OF REGISTRATION LAWS

Specification 1.—Registration to be required throughout the state.

Comment:

It is generally supposed that registration is not necessary in rural communities where practically every voter is personally known throughout the precinct, but it has been found, however, as a result of the absence of any registration system, or a loose system, that some of the worst cases of voting frauds appear occasionally in rural sections. The danger is not sufficient to justify an expensive and inconvenient system of registration, but it is worth while to provide for registration, if an economical and convenient system can be secured, which will at the same time afford a safeguard against the possibility of voting frauds. The states of Oregon, Montana and Nevada have developed a system of registration which is inexpensive, effective in preventing fraud in rural sections, and involves only a minimum of trouble to the voter. The system herein specified, with the variations suggested for rural communities, follows, in the main, the system used in these states.

Specification 2.—One system of registration to apply to all elections.

Comment:

In a few states registration is not required for primaries, or other so-called minor elections, though it is required at the general election. This is a serious mistake, for the bulk of voting frauds are committed in the primaries, and municipal elections require the same safeguards as county and state elections. The same is true of special elections, which are sometimes the scene of bitter struggles.

Other states make the mistake of setting up two different systems of registration, usually one applying to municipal elections and the other to county and state elections. This practice involves duplicate offices and duplicate records, and sometimes doubles the cost. It also makes it necessary for the voter to register under both systems and doubles the inconvenience. There is no reason why one system of registration may not be applied alike to all elections, for the qualifications for voting, with rare exceptions, are the same for all.

B. CHARACTER OF THE REQUIREMENT OF REGISTRATION

Specification 1.—Registration to be compulsory for all elections, with no provision for swearing in voters at the polls or for special appeals after the close of registration.

Comment:

The value of registration is largely lost if some provision is made whereby the unregistered voter may swear in his vote at the polls, when there is no time or opportunity to investigate the case. Provisions of this kind frequently break down in critical elections, especially in the machine-controlled precincts where there is danger of fraud. Eleventh-hour special appeals for registration, when it is too late for investigations to be made, also work badly. These provisions may be necessary or can be defended under registration systems which provide only a few days for registration, for *bona fide* voters may be away during those particular days, but under a system of permanent registration conducted throughout the year, where the voter is normally required to register only once, little defense can be made. It is absurd to attempt to take care of the negligent voter who fails to register when he has the whole year to do it in, and has to register only once in a lifetime, unless he moves or otherwise forfeits his registration.

In a few states the problem has been made difficult by judicial decisions holding compulsory prior registration unconstitutional. Where it is not feasible to secure a constitutional amendment, the next best alternative is to provide very strict requirements for the swearing in of voters at the polls. In Wisconsin the witness must be a freeholder and no freeholder may witness for morc than five electors.

C. FREQUENCY OF NEW REGISTRATIONS

Specification 1.—Registration to be permanent, which means that the registration of any voter is continued so long as he resides at the registered address, with provision also whereby any voter who moves within the city or county may transfer his registration to the new address.

Comment:

Permanent registration is the central idea of practically all movements for improvement at the present time. It affords the voter a minimum of trouble in connection with registration; it greatly reduces the cost; and in practical operation it has been found that permanent registration can be made as effective in preventing voting frauds as any other type, even in such large cities as Boston, Milwaukee, Minneapolis and St. Paul. Exception is made, however, of the cities with a million population or more which now have successful registration systems, where it would probably be wise to wait until permanent registration has been tried out elsewhere to a larger extent.[1]

The leading objection raised against permanent registration is that it would lead to the perpetuation of dead weight upon the registers and voting frauds. The large cities which now have permanent registration have devised adequate safeguards against this danger, and it is significant that fraudulent voting is almost unknown in these cities, while a number of cities with annual, biennial or quadrennial registration are still cursed with voting frauds.

In permanent registration a large part of the total expense is spent in investigation, correction, and purging of the registration lists, while in periodic registration only a nominal amount is spent for these purposes, the bulk going to pay the salary of the army of precinct officers, who are usually recruited by the party machines. In permanent registration the money is used to prevent fraud, but in periodic registration it is usually used to build up the strength of the machine.

The strongest argument in favor of permanent registration is its success in a number of large cities, as well as in rural sections. "Practical politicians" may scoff at the idea and say that it would never do, but this is not convincing in the face of successful operation. Permanent registration is entirely feasible and practicable but it is necessary to have a sound system. It is not enough merely to graft permanence upon existing types of registration systems. The whole system—the records, organization, procedure, and methods of purging the list of dead weight—must be adapted to permanent registration. All sorts of difficulties are encountered where permanent registration is provided without amending the system. A number of states have recently seized upon the idea of permanent registration without otherwise altering obsolete registration systems.

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[1] Mr. George C. Sikes of the Committee dissents from this exception on the ground that permanent registration is entirely feasible for the largest cities.

D. Registration Officers

The organization for the administration of registration is one of the most difficult problems encountered in setting up the specifications for a model system. As a practical matter it is difficult to alter the existing organization. The same officers are used to administer elections and registrations in most states, and these officers are generally suspicious of any proposed change. Since the same organization is used for elections as well as registration, it should not be modified to suit registration purposes without a consideration of the effect upon election administration. Another difficulty encountered is the variation from state to state in the history, traditions, political relations, and other matters touching upon the problem of organization. It is advisable for the problem to be considered in the light of the political experience and organization of the state, and considerable variation is necessary.

A very practical consideration in proposing modifications of the existing election machinery along with a new registration system is the danger that the two issues will be confused, and the improvement of the registration system be defeated. The cause of registration improvement should not be sacrificed in an attempt to modify the organization.

The following specifications are, therefore, subject to modifications to meet the needs of the individual city or state.

Specification 1.—The administration of registration to be centralized in a single office.

Comment:

In a number of states at the present time the administration of elections and registration is divided between a number of different offices of the county or city, or both. This division of responsibility leads to "passing the buck," jealousy, and increased cost. The better practice is to place the entire matter in the hands of a single office, which can be held responsible for honest and efficient administration. Unless there are special reasons to the contrary, the administration of elections and registrations should be conducted by the same office.

Specification 2.—A special office to have charge of elections and registrations in cities or counties of over 300,000 population.

Comment:

The amount of work incident to registration and elections in less populous cities and counties does not justify the expense of creating a special office to do the work. The work of elections and registrations is seasonal in character, and except for the larger cities and most populous counties, may be performed better under the direction of the city or county clerk. This permits much of the work to be done by the regular force of the office, without the necessity for maintenance of a special force of clerical employees for election purposes. Objection may be raised that the city or county clerk is not always qualified to have charge of his work, but the obvious answer is that in the smaller places the city or county cannot afford to hire a more competent person to handle election and registration alone.

Another objection which is sometimes raised against vesting the administration of elections and registrations in the hands of the city clerk or county clerk is that these officers are themselves elected by the people, and thus have charge of their own election. This is a theoretical objection which makes little if any difference in actual practice. Definite responsibility is a better safeguard to honesty in elections than divided responsibility in a bipartisan board, which is usually machine controlled. If a single commissioner can be provided instead of a board, it is probably wise to create a special office for cities and counties of less population, say over 150,000.

Specification 3.—The following optional specifications for the organization of the special election office in counties and cities of more than 300,000 population are suggested:

1. A single election commissioner, appointed either by the governor or the mayor, for a term of four years, and at a full time salary, or,
2. An election commission of three, four or five members, appointed by the governor or mayor, for a term of four years, with the requirement of bipartisan representation, and paid only a nominal salary.[1]

Comment:

The practice of having a single commissioner of elections has worked out very successfully where it has been tried, namely, Rochester and Omaha. Since the work of elections and registration is almost purely administrative there would seem to be little need for a board, except as a means to secure bipartisan representation. In some jurisdictions where the party organizations are evenly divided, bipartisan representation upon an election board may be essential, but in other places where one party dominates, bipartisan representation is apt to be more nominal than real. A single election commissioner produces a more vigorous and efficient administration, provides direct responsibility, and usually regards the rights of all political parties and factions more scrupulously than a bipartisan board, which may be controlled by the dominant party.

The principle of bipartisanship has broken down everywhere. It would seem that in election matters there is especial need for non-partisan administration, but the logical outcome of bipartisanship is that the bitterest partisans, frequently workers of the party machines, are called upon to conduct the registrations and elections. This one factor probably has much to do with the existence of frauds in elections.

If it is deemed necessary to have a board, the best organization is to provide for a board which will direct the general policies of the election office only, and leave the routine handling of administrative matters to a chief clerk. The members should be paid only a small salary to prevent the positions from being political plums, and should be required to devote only a small amount of time to their official duties. Probably the worst organization for an election office is to have four or five highly paid, full time election commissioners. This organization leads to inefficiency, wranglings in the office, and the desirable type of citizen cannot be secured to serve on the board.

With the board organization it is highly desirable to create a responsible position of chief clerk, in whose hands the administration of the office is placed, subject to control by the board.

Specification 4.—The office force to be selected without regard to party affiliation or nominations by party organizations, and placed under the civil service system of the city or county, if such exists.

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[1] Mr. George C. Sikes requests to be recorded in opposition to appointment of local election boards by the governor. Mr. H. A. Nichols dissents, believing that appointment should be made by a board of judicial officers as a means of removing the office from political control. Mr. Oakley E. Distin believes that the most desirable arrangement for large cities is found in Detroit, where the city clerk, president of the common council, and the judge of the recorder's court constitute the election board.

Comment:

The greatest drawback to the efficient administration of election offices is that they are usually made the dumping ground of incompetent political "heelers" who cannot be placed elsewhere. In many cities and counties the election board has little if any control over their own employees, who are selected, promoted or fired by the party machines. Such a condition is destructive of morale and loyalty, and frequently makes the election office the most inefficient of all public offices. Persons of no clerical ability and of questionable integrity are placed on the office force by the party machines. The pace of the office necessarily becomes the snail's pace.

The first step to do away with this condition is to repeal any provision in the state election law requiring the office employees to be divided between the two major political parties. This alone, however, will not go far enough. Provisions for appointment upon the recommendation of party organizations should likewise be abolished, though this practice is frequently due to custom instead of law, and customs cannot be remedies by statutory revisions alone. The most practical step in the matter is to place the office employees under a civil service system, if such exists, and the statute on this point should place them specifically in the competitive class. Where there is no civil service system in existence within the jurisdiction, the only alternative is to vest complete power over the matter with the election commission, and to hold it responsible.

The election office in most cities and counties makes considerable use of temporary employees and the problem of recruitment and training of these is difficult. Where they are selected by the party machines they are uniformly of poor quality, but in some cities where the commissioner or the board selects the extra employees without reference to party affiliation and without attention to recommendations of party politicians, it is found that persons of competent clerical ability can be secured. The problem again is to divorce the office employees from politics, a problem which is difficult to settle by statutory enactments. The fundamental step is to divorce the election board or chief election officer from domination by party machines, and the problem of office employees, particularly the temporary employees, will take care of itself.

Specification 5.—No use to be made of precinct election officers in the conduct of registration.

Comment:

Precinct sessions for registration are not needed where the registration is permanent, for the number of persons in each precinct who register prior to any election is small, and they may be handled by the central office, plus branch offices in large cities, at a much less expense and with little if any more inconvenience to the voter.

The discontinuation of the use of precinct officers to conduct registration eliminates the principal personnel problem, as far as registration is concerned. No change in the present organization of precinct election officers is proposed here, except that they are not to be used for registration. The clerical work would be handled by the regular and extra clerical employees of the main office. The number of such employees required to do the work would be only a fraction of the number of precinct officers, with the result that they could be selected personally by the board itself, and with greater care. Field or neighborhood registration conducted outside of the central office would be by these employees, directly under the supervision of the central office.

The problem of precinct registration versus central registration is taken up elsewhere in connection with the specification upon the place for registration, but there is one consideration, however, which requires treatment here. It is argued that registration should be conducted by the precinct officers, for they are personally acquainted with their neighbors and are better qualified to pass upon their application for registration. It is said that the local precinct officers are more likely to detect any attempt to pad the registration list with fraudulent names. This argument has little validity. In larger cities the precinct election officers are personally acquainted with only a negligible number of the voters, and the application of a stranger for registration gives rise to no suspicion. In smaller cities, however, the precinct officers are usually personally acquainted with every voter of the precinct, but in many instances so is the city clerk. However wide or narrow the personal acquaintance of the precinct election officers, the value of this personal acquaintance is secured in the conduct of elections, and it is not necessary for the registration officer to be personally acquainted with the applicant. In every state a registered voter may be challenged at the polls. If the precinct officers know or suspect any person of not being qualified to vote, it is their duty to challenge him when he applies to vote.

The insistence upon a board to receive applications for registration, a board consisting of the neighbors of the voter, of representatives of both parties, and in formal session where the party workers may be on hand—all this places a mistaken emphasis upon the routine work of registration. The receiving of the application for registration and the recording of it in the registration records is a purely clerical matter. There is no necessity for formal neighborhood sessions with bipartisan representation. One competent clerk can do the work better than five incompetent party machine adherents. There is plenty of time after the act of registration is conducted to investigate the registrations and to detect any fraud. In this regard, the act of registration is wholly different from the conduct of elections, where after the ballot has been placed in the box it is impossible to rectify any error or fraud. There is no point to surrounding the procedure of registration with cumbersome, expensive, and incompetent machinery.

It should be borne in mind also that there are certain positive drawbacks to the use of precinct officers. They are subject to control by the precinct political workers, and in the worst precincts they may openly connive at fraud. In a number of cities it has been found that the most effective way to break up registration and election frauds is to bring in outsiders and place them on the precinct boards, so as to prevent the complete domination of the precinct board by the local politician. It is unquestionably true that the bulk of election frauds are conducted with the connivance or tacit consent of the precinct officers, and are made possible in part by the difficulty of exercising anything like a close surveillance over the thousands of precinct boards in a large city.

The best evidence in support of the specification of doing away with registration by precinct officers is the fact that many states, including large cities, have already discontinued registration in the precincts without the frauds which are asserted would result. Practically all of the states with permanent registration (with the exception of some rural states of the South) and the state of California have done away with the use of precinct officers, and the result in these states show conclusively that precinct officers are not at all necessary in the conduct of registration.

Specification 6.—Field deputies to be appointed by the county registration officer for rural communities or for outlying cities and towns where the county is given exclusive jurisdiction over registration.

Comment:

It is obvious that some provision should be made to take care of the rural voter, who should not be required to make a trip to the county seat to be registered. If the county is given exclusive control of registration, the same is true for cities and towns other than the county seat. It is not necessary, however, to provide deputies for every precinct, or to provide more than a single deputy for each community or town. One solution of the problem of local registration officers in rural communities would be to authorize justices of the peace, notaries public, or similar officers to receive applications for registration, but this has been found to be unwise in actual operation. New notaries or justices of the peace are created by the party machine to round up the voters to be registered, and these officers are not subject to control by the county registration officer. The better practice is to vest the power of appointing local registration deputies with the county officer having charge of registration, giving him discretion in the number of deputies to be appointed. This practice is substantially that found in Oregon, Montana, Nevada, and parts of California, and has been found to operate very successfully for rural communities.

E. REGISTRATION RECORDS

Specification 1.—Individual registration records for each voter in the form of loose-leaf pages or cards.

Comment:

Individual records are absolutely essential for permanent registration. Bound volumes soon become clogged with the cancelled registrations, and cannot be used. Loose-leaf or card records are especially adapted to permanent registration. Canceled records may be removed from the files and transfers of registration for voters who change their residence may be made simply by correcting the old record and placing it in the file of the new precinct. Much clerical work is obviated by a system of individual records. Loose-leaf records, such as are used in Omaha, California, and parts of Canada are preferable to cards. Loose-leaf sheets permit the making of duplicate copies by use of a carbon sheet, and may be larger to permit recording the voting record of each voter. They also may be handled somewhat easier, and may be placed in locked binders to be sent to the polls on the day of election. The registration record may be filled in with the typewriter if loose-leaf sheets are used, which would be desirable with permanent records, though nowhere is this done at present.

The principal objection raised against the use of individual records, either in the forms of cards or loose-leaf sheets, is the danger of loss or tampering. This is not a valid objection in light of the actual experience of various states. The loose-leaf records or individual cards may be securely locked before being sent out of the election office, and the danger of tampering or loss is negligible. No difficulty of this kind has been encountered where records of this type are used.

Specification 2.—

a. Registration records to be in duplicate.
b. The original records to be filed by precincts, and to constitute the precinct registers.

c. The duplicate records to be filed without regard to precincts in alphabetical order for the entire city or county.

d. The precinct registers to be arranged in order by streets and numbers in cities (also alphabetically for each address where more than a single voter is registered), and in alphabetical order for rural precincts.

Comment:

An alphabetical file of all registered voters of the city or county, such as is found in the election office of California, makes it possible for the election office to find the record of any voter, regardless of the fact that his registered address may not be known. It makes it possible for the election office to render a number of different services which would not otherwise be possible, and facilitates the correction of errors in office work. In a number of election offices there is maintained a separate card index of all registered voters, arranged alphabetically. One set of the registration records filed alphabetically for the entire jurisdiction takes the place of such an index, and thereby reduces the office work.

The precinct registers are generally arranged alphabetically instead of by streets as here specified, though in Milwaukee they are arranged by streets. There are several material advantages secured by arranging the precinct register by streets and numbers. It permits the registration office to ascertain how many and what the names are of the voters registered at any address—a very useful thing in the detection of frauds. If the precinct registration records are arranged by streets the work of preparing the copy for printing street lists of registered voters, which are usually required in the larger cities, is simple, but if the registration records are alphabetical, the clerical work required to prepare the printer's copy in street order is very great, and when it is prepared there is no means of checking it against the original registration record for errors and omissions without a tremendous amount of clerical work.

It may be objected that the precinct election officers would have some difficulty in looking up the registration records of voters if they are arranged by streets instead of alphabetically. That has not been the experience of Milwaukee. When the voter announces his name he may be required to state his address also, and the officer in charge of the register may find the record by the street and number as readily as at present. The conventional bound volumes with the registration records arranged alphabetically by the first letter of the surname are not truly alphabetical, and the election officers are frequently required to examine several pages of records before finding that of a particular voter.

It is possible to get along with a single registration record of each voter, instead of two, but it is not advisable to do so. On the other hand, it is possible to have three or four records instead of two. This also is inadvisable, for the extra expense of maintaining additional records is great and no corresponding value is derived from them.[1]

Specification 3.—The original record of canceled registrations to be preserved in a permanent file.

Comment:

The registration and voting records of citizens is valuable, and should be permanently retained. It is unnecessary, however, to retain duplicate records. The method of filing is not prescribed, but alphabetically for periods of five to ten years is suggested as being feasible.

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[1] Mr. H. A. Nichols believes that the records should be in triplicate in order to provide an extra record for any emergency.

Specification 4.—The content and form of the registration record to be substantially as follows:

. . . .
Last name First name Middle name
Date of start of residence at present address. . . . .
Male Female Occupation . . . .
Birthplace. . . . .
If naturalized: Name of Court. . . . .
Place. . . . .
Date. . . . .
Through whom naturalized:
Husband
Father Name. . . . .
Remarks. . . . .
. . . .

RESIDENCE

Street	No.	Floor Apt.	Ward and Precinct

AFFIDAVIT OF REGISTRATION

State of . . . ., County of . . . .

I hereby swear (or affirm) that I am a citizen of the United States, that on the day of the next election I shall be at least twenty-one years of age, and shall have resided in the State of . . . . year, in the city (or county) of . . . . days (or months) and in the . . . . precinct . . . . days (or months), and that I am legally qualified to vote.

Subscribed and sworn before me this . . . . day of . . . .

. . . .

Signature of registration officer Signature of voter

VOTING RECORD

Stamp or write the date of each election at which the elector votes on the first vacant space

Comment:

The items of this registration record form have been selected with the following considerations in view: first, to avoid cluttering up the registration record with useless information, which is at present a very common practice; second, to avoid items which are objectionable to an appreciable group of voters, such as specific age, weight, or other items of personal description; and third, to secure whatever information is necessary to pass upon the qualifications of the applicant, to identify him at the polls, and to facilitate an investigation of his qualifications. It has been modeled largely after the California record, with modifications to make it adapted to permanent registration.

It is important that the middle name be secured as well as the first and last name, especially in large cities. The address of the voter should be secured in detail, so that investigators will not have difficulty in locating the place. In a permanent registration record it is necessary to provide space for new addresses to take care of transfers of registration within the city. The sample form leaves space for this purpose, but in case this space is used up, a paster can be placed on the record over the old addresses to permit the addition of new addresses.

In most registration records there are spaces to record the length of residence in the state, city or county and precinct. The sample form substitutes for this the date of start of residence at the present address. This is more definite and may be more easily investigated. The voter should be permitted to answer this question by merely stating "for life," where such is true, in order to avoid requiring him to state his age indirectly. In permanent registration the length of residence on the date of registration soon loses significance. The affidavit on the sample form contains a statement by the voter that he has resided in the various units at least the minimum required time, which serves the same purpose.

It is usually thought advisable to record on the registration record the sex of the elector, though this might well be indicated by placing a "Mr., Mrs., Miss" before the name, with two to be striken out. The occupation has nothing to do with qualification for voting, but it is worth while for a number of reasons. It is of assistance in checking up the qualifications of the voter, and in some cities it is used by the election office in picking prospective precinct election officers, or drawing a jury panel.

The requirement of the place of birth is to determine whether the applicant is native born. If not native born, then he is required to give the usual naturalization data of place and date of naturalization. This should be taken directly from the naturalization record, which should be required of the naturalized citizen. In the "Remarks" space may be recorded additional data in regard to naturalization, if necessary, or it may be used to record items of personal identification of the elector who is unable to sign his name. The height in feet and inches, color of eyes, and date of birth should be recorded to identify the voter who is unable to sign his name. The first two items are the best which may be selected for personal description, and the date of birth is one which can be answered only by the elector himself, and consequently would serve to identify him at the polls.

The affidavit of registration is designed to place emphasis upon the fact that the elector is taking oath as to his qualifications, and also to relieve the record of the items of exact age, which is objectionable to many voters, and length of residence, which soon becomes meaningless in permanent registration.

The signature of the voter is the most valuable part of the record. It is absurd that many registration records, even of large cities, do not include the signature. It provides a positive means to identify the voter at the poll and constitutes a permanent record of the act of registration. It is a substantial safeguard against fraudulent registration, for the requirement of signing acts to deter many registration frauds. The usual objection to the use of the signature is that many electors are unable to sign their names. This objection is not based upon facts. There are few persons unable to sign their own name, even if unable to read and write. In Omaha, by actual count, less than three hundred out of a total registration of 75,000 were unable to sign, or less than one-half of one per cent of the voters.

The voting record of each elector, showing the elections at which he voted, is very important, and should be a part of any registration record. Many of the registration records in periodic systems provide this by means of columns for each regular election during the one, two, or four years for which the registration holds good, and usually several columns are provided to take care of special elections. The voting history of the individual is of most value, however, when it is maintained continuously over a long period of time. A continuous record of this kind is of great service in connection with cases of fraud, for it provides a voting history of the individual. It would make possible in the future intensive researches in the field of voting which at present are greatly handicapped because of lack of adequate records.

The registration record should be designed to contain the lifetime voting history of the elector. Obviously it is not possible to list on the record all future elections, for special elections cannot be foreseen, and the system of general elections may be changed at any time. It is also obvious that the voting history must be recorded in a minimum amount of space, otherwise it cannot be contained on a registration record of reasonable size. The solution hit upon is to record the voting history of each elector by stamping or writing upon the spaces provided for the purpose merely the date of each election at which he votes. If it is desired, the poll number of each voter may also be recorded in states which provide for the consecutive numbering of voters. This requires little space. If the registration record is approximately 9 x 9 inches (the size used in California), it is possible to provide fifty or more spaces—sufficient to take care of the life voting history of practically every individual. If the spaces are exhausted for any voter, a paster may be placed over this part of the record to provide new spaces, but in such a way that the past voting history is not destroyed.

The voting record could be maintained by requiring the precinct election officers to stamp or write the date of the election upon the record of each voter when he casts his ballot, or this work could be done by the clerical force of the main office during the slack season. The former practice is preferable, for it is desirable to record on the registration record something to indicate that the elector has voted when he cast his ballot, in order to avoid the danger of any person voting twice under the same name. Stamps containing the date of the election should be provided for the purpose. The work of the precinct officers should be checked by the clerical force of the main office, however, to detect and correct any errors or omissions. It is not necessary to record the voting record upon the duplicate registration record filed alphabetically for the city or county, though this could be done by the office force if thought desirable.

The sample registration form does not contain a space to record the party affiliation of the elector when he registers. This is a matter which should be left to the individual state, depending upon the primary law of the state. If the closed primary exists, however (which is the case in most states), the record should contain this item, but provision should be made whereby the elector may change his party affiliation.

Specification 5.—Printed precinct lists of voters to be provided in the largest cities under the following provisions:
  a. Arranged in order by streets and numbers.
  b. A few copies (not over ten) posted in each precinct.

Comment:

Printed lists of voters are unnecessary except in the largest cities, where it may be advisable to provide them as a safeguard against padded registration, even at a considerable cost. Most large cities now provide printed lists of voters for the use of party workers and others, and a few cities give these lists publicity by posting them for public scrutiny in the various precincts. In a number of cities it was felt that the cost of these lists was greater than the value secured, and Detroit and Baltimore have discontinued printing them. Milwaukee owns its own type, which is kept set up from one election to another, and corrected before new lists are printed. The cost is low under this system.

If printed lists of voters are to be made, they should be arranged by streets and numbers instead of alphabetically. They are used largely by canvassers and political workers, and a street list is much better adapted for this work. Furthermore, as a means of giving publicity to the registration lists, the street lists are more effective, since any person may quickly ascertain the number and the names of all persons registered from any building within the precinct and readily discover any cases of padded registration. If the names are arranged alphabetically it is difficult for canvassers to use the list, and quite unlikely that padded registration will be detected.

Where precinct lists are printed, copies should be posted in each precinct as a means of giving publicity to the list of registered voters. If a few copies are pasted upon cardboards and posted in shop windows and other suitable places in each precinct, the possibility of padded registration being detected is greatly increased.

Specification 6.—Miscellaneous records. The registration office should maintain adequate and systematic records covering the following subjects: (1) Personnel for all employees, permanent, temporary, and field; (2) fraud cases, including reports, investigations, hearings, trials and disposition; (3) official actions of the office, including complaints and petitions received; (4) detailed statistics of registration in voting; and (5) financial accounts.

Comment:

No attempt will be made here to specify the content and form of such records, which should be evolved in practical operation. Election and registration officers as a general rule have only the most primitive and antiquated system of records. Usually the records consist of nothing more than perfunctory minutes and a meager account of expenditures, without a single record covering personnel, frauds and irregularities, complaints, and statistics of registration and voting. Adequate records are essential to sound administration of registration.

F. THE PROCEDURE OF REGISTRATION

Specification 1.— Registration to be conducted throughout the year, except for a period of three weeks prior to each election.

Comment:

Year-round registration is entirely feasible and practicable with permanent registration which is conducted at a central office. It is impossible, to be sure, in systems which have precinct registration only, for precinct registration is necessarily restricted to a few days because of the cost. Registration throughout the year provides a great convenience to the elector. It is especially important that the registration office be open continuously for weeks prior to the date for the close of registration, which is a marked improvement over the practice of holding registration sessions on only a few specified days.

Registration should be closed about three weeks prior to the election. Of course, fixing the closing time at exactly three weeks is arbitrary, but that is about the least amount of time which may be allowed for the office to prepare and print lists of voters, investigate registrations, permit complaints and challenges to be raised against registration, and get the records of the office ready for the conduct of elections. In smaller cities and rural sections where no printed list of voters is made and no official canvass of registered voters is conducted, it is possible to shorten this period to two weeks, or even one week, but no appreciable advantage is secured thereby.

Specification 2.—Registration to be conducted at the main registration office of the city or county, and at such other places as the registration officer or commission may decide.

Comment:

This specification raises the problem of precinct registration versus central registration, which has already been discussed in the comment upon the use of precinct officers in connection with registration.[1] It is not proposed that there shall be central registration only, but central registration plus outside registration at the discretion of the registration office. In cities of less than 100,000 population it is no hardship to require all new voters to apply for registration at the central office. This is especially true in a system of permanent registration, which requires the average voter to register only once in a lifetime. In the largest cities it is advisable to have outside registration during the closing period before any election. In various cities of California branch offices are opened in department stores, banks, and other buildings. It is wise to do this, and also to follow the Boston system of having evening sessions in various parts of the city for the convenience of the voter. The whole matter of the number of outside places for registration and the time at which they are to be open should be left to the discretion of the registration authority of the city or county.

In rural sections it is necessary to provide local registration deputies to save the new elector from the trouble of making a trip to the county seat to register. The same is true of cities and towns other than the county seat in states where the county is given exclusive control of registration. It is not necessary, however, for the registration deputy to hold formal sessions at specified times. The better practice in rural sections is to permit the deputy to receive applications for registration at any time until the close of registration. In cities and towns usually the city or town clerk or some other official with an office can be secured to serve as local deputy.

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[1] See Specification 5, Sec. D, Registration Officers.

The local deputies should not maintain registration records and have general charge of registration for local precincts, but should merely receive applications, fill in the registration form, administer the oath, and forward the record by mail to the county officer. This system is in operation in Oregon and parts of California and works very well. Local officers usually are negligent in maintaining the records, though they are fully qualified to receive applications for registration and fill in the registration forms.

Specification 3.—Registration to be made only upon the personal application of the elector.

Comment:

The applicant himself is the best evidence of his qualifications to vote. The data required for an adequate registration record include, among other things, the signature of the elector which cannot be secured *in absentia*. In actual practice, the worst cases of registration padding have occurred in systems where the presence of the elector was not required for registration. The requirement of personal application does not impose hardship upon the voter in a system of permanent registration, for ordinarily he is required to register only once in his life.

Specification 4.—The city or county registration officer or board to have full power to organize, direct and supervise the routine handling of registration and all incident clerical work.

Comment:

It is unwise to prescribe the clerical operations of the registration office in the election law. The organization and procedure should be adapted to meet the circumstances, and should not be made inflexible by statutory provisions. For example, in the registration office of a large city the most feasible method of handling applications for registration at the main office during the rush period before an important election should be to have the work done by teams, dividing the work up between two or more clerks. One person might receive applications for registration, and after checking them, turn them over to a typist to prepare the record, and a third person administer the oath, secure the signatures and complete the act of registration. Other persons in the office could be assigned to inspect the record after it is completed, to look up the ward and precinct in which the elector resides and record this, to perform various other clerical tasks, and finally to place it in the respective registration files. The organization and division of work depends upon the amount of work to be performed, the number of employees, the abilities of the employees, and other matters which can be decided upon best by the officers in charge. If registration is conducted outside of the main office in branch offices, fewer employees and a different division of labor should normally be used. In the main office at slack times when the number of applicants is small the entire work of receiving registrations should be handled by a single person.

Under the prevailing system of precinct registration the routine clerical work is partly described by statute, and partly covered by instructions from the election office, but in the main it is left to the individual precinct registration board to be worked out as it may see fit. Considerable variation prevails from precinct to precinct, but nowhere is any effort made to systematize the work. The only way to secure more economical and efficient performance of the work is to grant larger powers of direction and supervision to the city or county registration officers. This would not insure improvement, but it would make it possible.

The principal improvements which should be made in the routine handling of applications for registration may be pointed out. In the first place, the applications should be received by a single person, unless organized upon a team basis with each person doing a different part of the work as suggested above. The common practice of having a board of from two to six persons to do the work is absurd, and does not improve the quality of the output. A second improvement in handling registration would be to require each person to fill in an application form, giving the information required for registration by answering questions on the application form. This is in use in Detroit, where it is found to expedite the work of taking registrations and also help to prevent clerical errors. A written application of this kind would make it entirely feasible to have the registration record prepared on the typewriter. It is not deemed wise to enact this provision into law, but rather to give the registration authorities discretion in the matter. The following sample form of an application for registration will illustrate the idea more fully:

NOTICE.—If you are already registered in (*Name of city*) and have changed your residence, do not make out this application for registration. Make out an application for transfer of registration.

APPLICATION FOR REGISTRATION

(Fill in with pen and ink. Do not use pencil.)

1. My full name is..
First name Middle name Last or surname

2. I reside at..
(Street number) (Name of street)

3. Floor.............. Apartment................ Room No.........................
(Fill in the above if they apply)

4. I have resided continuously at the above address since..................................
Month Date Year

(The above may be answered by "life" if such is the case)

5. I was born in..
(Name of state or county)

6. My occupation is..
(Women voters who are not employed outside the home may answer by the word "Home")

7. Date of application..

I hereby certify that I am a citizen of the United States, that I am not at present registered in (*Name of city*), that on the day of the next succeeding election I shall be at least twenty-one years of age, and a resident of the State of .... for at least .... year and (*Name of city*), for at least .... days, and that to the best of my knowledge I shall be qualified to vote, and that the above statements are true.

....
Signature of voter

THIS APPLICATION MUST BE PRESENTED IN PERSON TO AN OFFICER IN CHARGE OF REGISTRATION. IT DOES NOT COMPLETE YOUR REGISTRATION. IT IS ALSO NECESSARY FOR YOU TO TAKE OATH AND SIGN THE AFFIDAVIT OF REGISTRATION.

Received by..
(Signature of registration officer)

Specification 5.—The registration officer or board of the city or county to hear appeals from persons denied registration, provided that no appeals may be made later than five days after the close of registration prior to any election. The courts to hear appeals only from persons denied registration upon a previous appeal to the highest registration authority of the city or county.

Comment:

This specification is not of great importance. Many registration laws make no provision for appeal, though an appeal may be taken to the courts without express statutory provision on the point. Cases of this kind are extremely rare under most registration systems. It is, however, desirable to have a provision for appeal to the chief registration officer or board of the county or city, for this sort of an appeal is more convenient to the applicant who believes himself illegally denied the right to register.

In a few states the courts have interfered to an unwarranted extent in registration by issuing orders for registration more or less indiscriminately and in large numbers after the regular time for registration had passed. The proper function of the courts is to afford an appeal to any voter denied registration by the regular registration officers, and they should not usurp the work of the registration office by hearing applications for registration which are not appeal cases.

Specification 6.—Absentee registration (see comment).

Comment:

There is little need for absentee registration in a system of permanent registration in which the elector may register on any day of the year at the office of the city or county registration officer. In a system of permanent registration the simplest and most feasible method of absentee registration is to require the absent elector to secure blank registration forms from his home registration office and appear before some officer authorized to administer oaths to have it filled in and the oath administered, before the regular close of registration. If the absent elector is within the state, it would be well to require him to appear before the local registration officer wherever he may be.

Specification 7.—The original registration under permanent registration to be conducted as above outlined.

Comment:

The original registration might be conducted by the precinct election officers with formal sessions in every precinct, but in practical operation this has been found to be unwise. The precinct officers are not competent to prepare permanent registration records with the high degree of care necessary. The better practice is to conduct the original registration at the central office and a sufficient number of outside branch offices in the large city or county to take care of the convenience of the voters. In this method the original registration may be closely supervised by the election office. It is necessary to have a larger number of branch offices and to keep them open longer than for succeeding registration periods after the system has been started, but otherwise the same procedure should be followed. Ordinarily it is sufficient to simply grant to the election board or commissioner full power and authority as to the matter of branch offices, but in some places it may be felt necessary to provide some safeguard to insure fairly equal registration facilities in all sections of the city or county.

G. CORRECTION OF REGISTRATION

This section includes all the means which may be used to keep the registration lists free from dead weight and corrected up-to-date. It is the most vital part of the registration system in a large city, particularly a system of permanent registration. The advisability of the adoption of a system of permanent registration rests upon the effectiveness of the means taken to keep the registers free of the names of voters who have died or moved away, and corrected to take care of removals within the jurisdiction. In order to prevent corrupt political machines from padding the registration in large cities it is necessary to make a house-to-house canvass of registered voters to ascertain whether they reside at the address given. This is true of annual registration as well as permanent, but in permanent registration the investigation of residence is more important, since this means is relied upon also to ascertain what voters have moved away from their registered residence since the previous year.

Any large city which adopts permanent registration should make use of all the various means for purging the books which have been found to be practicable, but in rural sections and smaller cities where the danger of fraudulent voting is less, it is not necessary to take all the precautions which are essential in large cities. The presence of a small amount of dead weight on the registration lists in such communities is not a serious matter, provided that some means is taken to prevent the indefinite continuation of dead weight upon the registers, and also to identify the voter at the polls.

Large cities with permanent registration use different methods to purge the lists: Boston relies upon an annual census of all adults which is made by the police; Milwaukee relies upon a canvass made by the police; Omaha uses a canvass made by responsible inspectors directly under the supervision of the election commissioner; while Denver and Portland, Oregon, depend almost entirely upon a system of cancelling the registration of electors who fail to vote within one or two years. There are also other methods of correcting the lists used by various places, with or without permanent registration, which will be described. Any place which will make use of all of these methods with any decent sort of administration can be assured that the registration lists will be effectively purged of dead weight.

Specification 1.—The official death reports secured from the officer in charge of vital statistics to be used to purge the registration books.

Comment:

This is a very practical and effective means of cancelling the registration of persons who have died, and thereby preventing the continuation of such names on the registers. It is in use in many places, and involves no serious administrative difficulties. It may be done during the slack period in the registration office, and costs practically nothing. It cannot be relied upon to cancel the registration of all deceased electors, since some deaths occur away from the residence of the person, but still it is fairly effective.

Specification 2.—A system of transfer to be provided whereby an elector who moves within the jurisdiction of the registration office may transfer his registration to the new address.

Comment:

The details of a transfer system require separate treatment, and are set forth in another section, but it is pointed out here that the system, if effective, corrects the registration for the bulk of removals, since the majority of removals are local.

Specification 3.—Registration of any elector to be cancelled upon failure to vote within a one-year period, two-year period, or after a general election (depending upon the elections held within the state), but the elector whose registration is about to be cancelled should be notified of that fact and permitted to reinstate his registration by submitting to the registration office a signed request for reinstatement.

Comment:

This provision places a mild penalty upon non-voting and thereby stimulates voting, but its principal purpose is automatically to purge the registers of dead weight. It does not operate to disfranchise electors who have failed to vote, for they are notified and permitted to reinstate their registration by simply mailing a signed request to the registration office, or, failing to do this, may register by personal application at any time. The elector who fails to vote is not greatly inconvenienced by this provision, and if it is desired to provide a more substantial penalty for non-voting, he should be required to apply in person at the registration office for reinstatement or new registration. In Denver and Portland, Oregon, other methods of correcting the registration list are not used, because this method has been found to be so effective that it is not believed other methods are necessary. Removals or deaths which are not detected in some other way are automatically detected in this manner. Of course, it is possible for a corrupt political machine to continue dead weight indefinitely by always sending in a "repeater" to vote under the name of the dead or removed voter, but this is unlikely. Precaution against this can be made through a system of positive identification of every voter at the polls, which taken together with cancellation for failure to vote makes fraudulent voting extremely difficult.

In rural communities and cities of less than 100,000 population the above three methods of correcting the registration lists are ordinarily quite ample. It would be possible to provide that the precinct officers of election or the local registration officer in rural sections should meet in formal session to revise the registration list, hearing challenges and correcting the register upon their own knowledge, but this is not at all necessary. It would entail additional expense without any proportionate return.

Specification 4.—The city or county officer or board in charge of registration to be given full power to make investigations of registration in either of the methods outlined below. In larger cities some systematic investigation of registration should be compulsory once a year, or biennially where elections are held only during alternate years, and the registration authorities should have the power to conduct investigations in all or a part of the city prior to other elections. The power to make such investigations should be given to the registration authorities in rural sections and smaller cities, although such investigations would rarely be necessary.

Method 1. A house to house canvass of all registered voters to be made by the police or other responsible persons directly selected by and responsible to the registration authorities.

Method 2. A census of all adult residents conducted annually or biennially, depending upon the frequency of the elections, which is checked against the registration lists and corrections and cancellations made accordingly. The census should be made by the police or by responsible persons selected by the registration authorities and directly responsible to them.

Comment:

The first principal point of this specification is that full power to make all needed investigations should be given to the registration authorities, who may then be held responsible. This is essential in any large city, and should be provided elsewhere. This does not mean, however, that full discretion as to the means to be used should be vested in the local authorities; this might well be described by statute, though it is not well to restrict the methods of investigating registration too narrowly.

In larger cities, it is wise to make some systematic city-wide investigation compulsory every year or every two years. The registration authorities may neglect to make such investigation unless it is compulsory, or may be prevented from doing so by the failure of the city council or county board to provide funds. They should have the power to conduct such investigations in all or a part of the city or county prior to other elections as they may deem necessary. In Omaha the election commissioner has a canvass made of the downtown sections and the river wards before every election, but the entire city is canvassed only before the general fall elections.

In either method of investigation of registration outlined above the most important consideration is to secure responsible persons to make the investigation. If the police can be relied upon, they should be used, for they are normally more responsible than temporary employees. A policeman is subject to discipline and has a job to lose if it can be proved that he has failed to perform his duty or has committed fraud. Yet in many places, because of the reputation of the police force and their connection with the political machine, it may be unwise to use them for this purpose. The problem then is to secure responsible individuals to make the investigation. In Omaha the county election commissioner personally selects (usually upon his own knowledge and acquaintance) precinct inspectors to do this work, irrespective of party affiliation and with no recommendation from the party organizations. Only one person is used to the precinct, and the position is looked upon as one of authority and responsibility. Competent, responsible, outstanding citizens are secured to act as inspectors, a large part of them being attorneys.

The second method, which provides for a census of all adult residents, is used in Boston and other Massachusetts cities. It is superior to the house to house canvass of registered voters in several important respects: first, it is more definite in assignment, and may be more easily checked up on; second, it requires positive information, while the canvass does not (the canvasser may conduct his canvass on the street corner or rely upon the information secured from the precinct political captain, but the census enumerator of all residents must go to every house to get the names and other information); third, it makes possible for the registration authorities to transfer the registration of voters who have moved within the city or county without an application from the voter. In Boston the census cards contain the residence of each person on the date of the preceding census, which is secured in practically all cases. If the person is registered at the previous address, the registration is transferred to his new address. Another advantage of the census is that it does not have to be made as hurriedly as the canvass of registered voters. The canvass of registered voters is made after the close of registration and the street lists have been prepared, and not much time remains for the registration authorities to handle the reports of the canvass, send out challenges, hear cases, and clean up all matters before the day of election. If a census of all residents is used it may be made several months before the election and all old registrations checked against it and corrections made before the rush of new registrations starts. Registrations made after the census has been taken may be checked against it also, but in a system of permanent registration the number of new registrations is fairly small, and this work is not difficult. A special investigation should be made of any new voter who was not listed in the census.

Where the census is used it is necessary for the registration office to notify each voter whose name is about to be cancelled. Voters whose registration is transferred should also be notified.

It is more expensive to conduct a census of all residents than to make a canvass of registered voters only, though a census of all adult residents may be made with considerably less cost than that of the canvass by the precinct officers as it is now conducted in a number of cities. The cost of making the canvass of registered voters in Omaha, for example, is only 2.8 cents per registered voter, while the cost of making the census of adult residents is 5.7 cents per registered voter in Brookline, Massachusetts. The cost of making the canvass of registered voters in Kansas City by the precinct clerks of election is 9.6 cents.

The cost of making either a canvass or a census is not great, provided that only a single person is used to do the work. The experience of Chicago, St. Louis and Kansas City indicates that there is no value secured from having two persons, representatives of opposite political parties, to make the canvass together. Much better work is secured by using a single responsible person, selected without regard to party affiliation, and not upon the nomination of the precinct captains. The census of all adult residents is preferable to the canvass, and if properly conducted the cost is not large.

With either system of making an investigation, the canvass or the census, there should be systematic records provided for the work. Where the canvass of registered voters is made, it is usual to provide the canvassers with lists of voters arranged by streets and numbers, and in Milwaukee this is done by pasting the printed street lists into convenient sized books, arranged with columns to enter a memorandum of "o.k.," or "moved," "dead," or "moved to 917 South Water Street." If a census of adult residents is made, there should be an individual card record for each resident listed, with the name, address, sex, address for the previous year when the census was made, name of informant, and date and signature of officer making the census. There should also be a master card file covering every building of the city, showing the nature of the building and the number of resident suites or apartments, which should be used in making the assignments to the census takers and also to check up on their work. This system of records has been developed in Boston and found to work very satisfactorily.

Specification 5.—The registration officers of the city or county to be given authority to use other reliable means in their discretion to correct the registration lists, such as the use of the mails, information of removals secured from the post office, city directories, moving reports, tax assessments, gas, telephone, electric and water orders for change or discontinuation of service. Any person whose registration is about to be cancelled or changed upon the basis of such information should be notified of the fact through the mails as a precaution against mistakes.

Comment:

Some of these various sources of information can be used to advantage in any large city or county, though because of the nature of the reports available, in many cases it would not be feasible to use others. The registration authorities should have the power to make use of these or other reliable sources of information to correct the registration in order that they may do so where they deem it advisable or necessary.

It would be possible to mail to each registered voter a formal notice, with notice to the postman to return all undeliverable notices directly to the election office, and use the returns to purge the registration. As a city-wide check upon registration this method has distinct drawbacks, but as a means of checking up on the registration of individual voters or certain precincts, this method has some merit. In San Francisco an official election pamphlet is mailed to each voter, and the undeliverable pamphlets are not forwarded, but are returned to the election office and the registration of these persons challenged.

The post offices at present render to commercial firms an address correcting service of mailing lists. Private firms turn over their mailing lists to the post office and have the changes of address recorded, thus bringing their lists up to date. They are required to pay for the clerical work required. This is a service which might well be used by the registration office.

The other sources of information do not require detailed comment. Where they are reliable and fairly comprehensive, they can be used to considerable advantage by the registration office, especially as a means of correcting the registration lists prior to elections before which no canvass or census throughout the city is made. The use of these sources of information is subject to the limitation that none of them or all of them put together will reach every voter who moves within or without the city or county, but, on the other hand, an intelligent use of most of these would detect most removals. The work incident to the use of these sources of information would come largely during the slack period of the year for the election office, and consequently could be done at a very small additional cost. The morale of most election offices is low because of the enforced idleness during most of the year, and additional work of this kind would be distinctly worth while from the standpoint of office administration.

Specification 6.—Any citizen to be permitted to challenge the registration of one or more registered voters. The challenge should contain the name and address of the registered voter, the grounds of the challenge, and the signature of the challenger and should be filed not later than one week prior to the election. Such challenge to be heard by the county or city registration officers at such time as they may fix, after notice has been served upon the challenger and the challenged voter, and an investigation made of each case. It should be made a misdemeanor for any person to challenge the registration of any person in bad faith, or without reasonable evidence that such person is not qualified to vote.[1]

[1] For fear that it may be used as an instrument of oppression against persons seeking to clean up the lists, Mr. Thomas Raeburn White does not approve the provision making it a misdemeanor for anyone to challenge a registration in bad faith or without reasonable evidence. Mr. White suggests further that failure of an elector, against whom a challenge has been served at the residence given on the registration list, to appear shall be prima facie evidence that he is not entitled to be registered and shall cause his name to be stricken off.

Comment:

Some provision of this kind is necessary to enable any civic organization to take effective action in cleaning up registration when it becomes necessary. In practical operation, however, such challenges are rarely filed, and almost never by a private citizen on his own behalf. In order to avoid indiscriminate challenges it is advisable to require the challenger to state the grounds of the challenge and sign his name, and also to provide that the registration officers shall investigate the case before the hearing is held.

H. Transfer of Registration

Specification 1.—Any voter who moves within the city or county to be permitted to transfer his registration to the new address by sending in a signed request to the registration office.

Comment:

This system of transfer is used very successfully in Milwaukee, Minneapolis and St. Paul. It does not require the elector to make a trip to the registration office, for he can send in his application for transfer by mail or otherwise. The registration office does not have to make out a new record, for the new address is merely recorded and the record transferred to the proper precinct. It also insures the cancellation of the registration in the old precinct, thereby removing the largest source of dead weight upon the registration books. In Milwaukee the election office distributes blank transfer applications with full instructions on each blank to political workers and others, and the newspapers also print the forms for the use of their readers, who may, if they wish, slip the form from the newspaper and send it in to the election office. However, the use of the regular application form for transfer is not required, and any elector may transfer his registration simply by writing to the election office, giving his old address, his new address, and signing his name. The signature is compared with that on the registration record to safeguard against spurious applications.

Specification 2.—The form for the application for transfer to contain spaces for the name in full (with instructions to print or write very plainly), the old and new addresses in detail, the date of removal to the new address, and the signature.

Specification 3.—Transfer of electors who are unable to sign their names to be made only upon personal application at the registration office where they may be identified by use of the personal description data on the registration record.

Specification 4.—Applications for transfer to be received up until the close of registration and not afterwards, except for voters who have moved after the close of registration and who are legally qualified to vote from the new address.

Comment:

All applications for transfers should be made before the regular close of registration in order that the registration office may have time to prepare accurate printed lists of voters, and clean up its records in time for the election. However, persons who move after that time should not be disfranchised, and applications for transfer should be received from such persons, provided that they appear in person at the central office, take oath that they have moved since the close of registration, and will be legally qualified to vote from their new address.

Specification 5.—Where a census of all residents is made annually or biennially the registration of all registered voters to be transferred if they are found to be registered at the address given on the census report as the address of the previous year. The registration office should also have the power to make transfers upon the basis of reliable information, such as removal of gas and electric service, without requiring the voter to make a signed request, but notice should be mailed to the voter as a safeguard against errors.[1]

Specification 6.—Any voter who moves outside of the jurisdiction of the local registration officer (county or city) to be required to register anew, but in such cases the registration officer should send a cancellation notice to the registration office of the previous residence.

Comment:

It would be possible, but hardly feasible, to provide for transfer of registration throughout the entire state, so that the voter once registered may never have to register again so long as he resides within the state. The clerical work involved and the necessary delays would make this inadvisable, however, for many of the transfers would be made at the close of the period of registration and there would not be time to clear all the cases up before the election. The better practice is to require the voter to register anew, and to provide that such voters upon being registered shall be required to sign an authorization of cancellation of the previous registration, to be forwarded to the proper registration officer. This is done in California at present.

I. IDENTIFICATION OF THE VOTERS AT THE POLLS

Specification 1.—All voters to be positively identified at the polls by requiring them to sign their names when they apply to vote and by comparing the signature with that on the registration record.

Comment:

Identification of voters at the polls is one of the prime purposes of registration, though most registration systems employ antiquated means, or none at all. An effective, positive identification of every person applying to vote as to whether he is the identical person registered constitutes the most effective means of preventing voting frauds. If positive identification could always be secured there would be little reason to fear fraudulent voting, and little need for other precautions against it. Of course, it is impossible under any system of registration to secure positive identification of all voters, because the identification must be made by the precinct officers of election, and in the worst precincts of a large city the officers of election are frequently indifferent or are subject to the orders of the precinct politicians. Under such circumstances no mechanical system of identification can guarantee the desired results, but on the other hand the method used will have much to do with the character of identification secured.

There are several methods of identification which could be used. The signature method is specified. The most common means now used is to enter on the registration record a personal description of the voter with such items as age, height, weight, color of eyes, hair, or other marks of identification. Another method which has been proposed by a few persons would be to identify the voter by the fingerprint method.[1] The last method is quite out of the question at present.

---

[1] Mr. White considers that the power to make transfers on such "reliable information" is dangerous.

[1] Mr. H. A. Nichols suggests that it would be feasible to include a photograph of each registered voter upon the registration records to be used to identify him at the polls, and also to issue an official certificate of registration with a copy of the photograph (much as passports). The certificate could be stamped upon the back each time the elector votes. The committee, however, is unable to approve this proposal, which it believes would deter voting and add greatly to the cost of registration.

It would raise a tremendous roar of objection on the ground that it classifies voters with criminals. It would be difficult if not impossible to administer, since precinct election officers are not finger print experts. It would slow up the process of voting and require more precinct officers.

Practically all registration systems in large cities include some personal descriptive items, which theoretically are used at the polls to identify the voter. The greatest drawback to this method of identification is that in the rush at the polls the precinct officers do not have the time or inclination to identify the voter by use of these items, and practically never use them except when the applicant to vote is challenged. The various items cannot be used positively to identify the voter, for the precinct officers cannot be expected to measure the height or take the weight of the applicant to vote, and age is only a rough means of identification. Many voters strongly object to these items of personal description, especially the exact age and weight. This method of identification is scarcely worth the ink required to record the items upon the registers.

The use of the signature is the ideal method of identification. It is positive, can be applied readily to every voter, and gives rise to no sound objections. It unquestionably should be a feature of every system of registration. Even in rural sections where normally every applicant to vote is personally known by the members of the precinct election board it would be a good practice. A permanent record is made when the vote is cast; a signature must be written on the poll books. The requirement that each voter sign his name in the poll book when he votes would put a stop to practically all fraudulent voting which is still carried on in rural sections. In cities of any considerable population the signature identification is almost indispensable to sound registration.

There is one objection raised against the use of the signature to identify the voter at the polls: that it would slow up the process of voting and make it more expensive. The best answer to this objection is the successful operation of the system in New York City and other cities of the state of New York, Omaha, several cities in Minnesota, and the state of California. It has not been found that the signature slows up the process. Election officers state that not a single complaint of this kind occurs in practical operation. This objection is theoretical, though it is usually raised by self styled "practical" men. It is a very simple operation to make the comparison of the signatures of the voter.

Specification 2.—Voters who are unable to sign their names to be identified in the following manner: All such voters would be required to state their height in feet and inches, color of eyes, and date of birth when they registered, and this data would be recorded in the "Remarks" space on the registration record; when any such voter appeared to vote he would be required to answer questions covering the same items, which would be recorded upon a suitable form, and then comparison made with the items on the registration record.

Comment:

This system of identifying voters who are unable to sign is found in New York City, where it is said to work effectively.

In rural sections or smaller cities where voters are usually personally known it may be unnecessary to require a written record of the indentification of such voters. For such places the written record may be done away with, and the responsibility for identifying the voter upon the basis of the personal description items may be placed upon the election officer in charge of the work.

Specification 3.—The voter to be required to sign his name at the polls in a roster of voters or upon a card form provided for this purpose. In either case the election officer in charge should be required to sign his name immediately after he has made the comparison.[1] If cards are used, they should be immediately dropped into a locked box provided for the purpose.

Comment:

The roster of voters in which each voter signs is in use in California, and works quite satisfactorily. Each voter signs the roster when he appears to vote, and then the signature is compared with that on the registration record. The only disadvantage of the system is that it is a little cumbersome to make the comparison, for the two signatures cannot be placed side by side.

In Minneapolis the voter is required to sign on a voting certificate card, which may be placed on the registration record beside the original signature and the comparison quickly made. This system facilitates actual comparison, but there is a somewhat greater danger that the signatures of the voter may be lost, and the psychological influence upon the voter is perhaps greater when he signs a "Roster of Voters" in the form of a bound volume.

It is difficult to devise any system which will guarantee an actual comparison of the signatures of the voter. Precinct election officers even in the best precincts are apt to be careless of this, and in the worst precincts may make a farce of the comparison. It is not necessary to despair because of this, however, for the possibility of a comparison being made is usually enough to prevent impersonation. The election law should require that the precinct election officer should sign his name on the card or the roster of voters after making the comparison, as a means of fixing the responsibility. The signature should be made immediately after the comparison is made. In New York City the election officers frequently let it go until the end of the day and then run through the signature register and sign up the entire book at one time. This practice makes the signature of the election officer meaningless.

Specification 4.—The comparison of the signatures and the indentification of a voter who is unable to sign should be made in such a manner that political watchers or others present at the polls may also make a comparison.

Comment:

This provision is contained very specifically in the California law. It is a wise provision, for it places another and very appreciable danger in the way of impersonation.

J. MISCELLANEOUS PROVISIONS

Specification 1.—The registration authorities of the city or county to be given the power to issue a certificate of registration on the day of election in order to correct for clerical mistakes, which certificate will entitle the holder to vote in the precinct in which he is registered.

Comment:

The number of clerical mistakes of this kind under a good system of records should be negligible, but still it is advisable to give the registration office the power to rectify its own errors.

Specification 2.—Any voter who changes his or her name by marriage or otherwise to be required to register anew.

Comment:

This is necessary to avoid clerical errors and also to secure the signature of the voter as it will be signed at the polls.

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[1] Mr. White calls attention to the fact that this will slow up the election considerably and will be opposed by legislators on that ground.

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THE LEAGUE'S BUSINESS

Some Unsolicited Kind Words.—So much of the work of the central office of the League seems routine and undramatic. There are more than 15,600 municipalities in the United States, and on mornings when the mail is high on our desks it seems as if they all had conspired to test our resources by shooting us inquiries on every topic of government.

One way to acquaint the members with the nature of our work is to pass on from time to time some unsolicited expressions received from those whom we try to serve. The four below were selected pretty much at random from recent correspondence.

The first is from a teacher of government in a state university:

> I am taking this opportunity of thanking you for the helpful correspondence I have had with you in compiling the bulletin and package library on the short ballot.

The second is from the land commissioner of Canton Municipality, China:

> The pamphlets you mailed me have all proved to be a mine of information and I wish to take this opportunity to thank you for your trouble. I am looking forward to having your kind coöperation from time to time in the future.

The third is from the chairman of a committee to devise a county charter:

> I wish to thank you for your kindness in sending me so promptly the data regarding county government.

The fourth is from an officer of a board of trade and relates to an address on city charters delivered by a representative of the League:

> I wish again to tell you how much I enjoyed your talk and tell you how generally the people who heard you were interested.

⁂

Change in Director of Municipal Administration Service.—George H. McCaffrey was scarcely settled in his new post as director of the Municipal Administration Service, being operated by the League in coöperation with the Governmental Research Conference, when an opportunity at a much larger salary and with a bigger organization presented itself; and under the circumstances there was nothing to do but to advise him to accept. The governing committee therefore considers itself fortunate in having prevailed upon Russell Forbes, who had been serving as lecturer in municipal government at New York University and assistant of the National Association of Purchasing Agents, to fill the breach.

Mr. Forbes began work on January 15. He brings to it a thorough training in municipal government and an exceptional record of organization building on behalf of the associated purchasing agents.

⁂

Two Important Committee Reports.—The report on a model system of registration for elections, published as a supplement to the January Review and the draft of a model municipal bond law, appearing as a supplement to this issue, were in great demand even before they were off the press. Through the kindness of Honorable Morton D. Hull we were able to manufacture an excess supply of the report on registration, and through the kindness of the chairman of the municipal indebtedness committee, Mr. Carl H. Pforzheimer, we have been able to do the same for the model bond law. Both subjects are this winter before the legislatures of a number of states. We are proud of the reports, and feel that they will be of marked influence.

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EDITORIAL COMMENT

In 1728 the Pennsylvania Assembly, which had been meeting in the Court House in Philadelphia, requested the Governor and the Council to provide another meeting place, because of "indecencies used towards members of the Assembly" where it had been sitting. Disrespect for legislatures seems to be born in us.

*

It now seems doubtful if the petition for the recall of Governor Hartley of Washington will ever be filed. The plan to secure 100,000 signatures by December 1 (80,000 are necessary to demand a recall election) has not worked out. The issues in the Hartley-Suzzalo fight, involving a fundamental difference of opinion regarding the relation of the public educational system to the state government, were cogently set forth by Chester C. Maxey in last month's Review.

*

In the election last fall in Omaha, a young radio broadcaster was elected municipal judge over an opponent who was backed by a strong political organization. The broadcaster had no organized support whatever and was able to carry on his campaign without expense through capitalizing his popularity with the radio audience. Doubtless by this time the broadcasting stations have been deluged with applications from would-be announcers with political ambitions.

*

Former Governor Harry L. Davis is circulating petitions for a popular referendum upon the abolition of Cleveland's City Manager-P. R. Charter. If sufficient signatures are secured the matter will probably come to a vote next spring. Davis was three times elected mayor of the city, and it is generally believed that he is taking the present step as a method of establishing himself as undisputed leader of the Cleveland Republican machine.

*

The American Political Science Association held its twenty-second annual meeting at St. Louis, December 28 to 30. The mornings were devoted to round tables, and the remaining sessions to prepared papers and addresses. A feature of the meeting was the presidential address by Dr. Charles A. Beard on "Time and Creative Thought in Political Science." Dr. Beard received a great ovation from his many friends and admirers in the Political Science Association.

*

Politics Boiling in Toledo

However it may appear to the initiated, the average citizen of Toledo finds himself bewildered by recent activities of Mayor Mery, particularly with respect to the dismissal of William T. Jackson from the position of service director. Mr. Jackson possessed an enviable record in that position, being the author of the Toledo city plan and the administrator of an excellent public works program.

In 1925 Walter F. Brown, chairman of the joint committee (of blessed memory) dealing with the reorganization of the federal administration, and the head of the local Republican organization; is said to have assured Jackson that he would be continued in office in return for Jackson's promise not to run for mayor. Jackson was then a strong favorite, actively supported by all three newspapers of the city. But events proved that he could not get along with the mayor, whom he accused of playing politics, and during Brown's absence from Toledo, the mayor dismissed him.

In spite of strong popular disapproval, Mayor Mery stuck by his guns, and, after some difficulty in finding a successor, transferred the finance director, William B. Guitteau, to the post of service director. Whether Brown approves the mayor's action is unknown. On the surface it would seem that Mayor Mery has defied Brown, who has thus been placed in the position of one who could not make delivery of preëlection promises. Some, however, suspect that the whole transaction has been engineered by Brown to rid himself of Jackson, who enjoys a large personal following.

The result to date is a renewed effort to secure a city manager for Toledo, and it seems probable that the plan will be voted on next summer. Mayor Mery came to his office without any experience in administration (he had been operating a corner drug store), and the present situation is further evidence of the shortcomings of elected mayors when they are called upon to take charge as executive head of a large operating organization.

*

Financing Seattle's Street Railways Seattle's municipally owned street railway is again in financial difficulty. Last fall it was compelled to go on a warrant basis due to its inability to meet obligations in cash. To enable the railway to tide over its present difficulty, an ordinance providing for a loan of $135,000 from the light department to the municipal railway department has been passed; but it faces the prospect of a test suit by a committee of taxpayers. In the meantime the mayor, Bertha K. Landes, has announced that there was never so much reason for optimism in railway affairs as there is today, and has called upon the citizens to refrain from involving the railway in litigation at this time. The mayor's optimism arises from the prospect of reduction in operating expenses through the purchase of modernized equipment which is estimated will save the city $300,000 a year.

D. W. Henderson, general superintendent of the railway, has issued a statement calling attention again to the heavy burden resting on the street railway by reason of its obligation to pay the entire purchase price of the system out of income in twenty years, something which no privately owned road has ever been able to do. In order to ameliorate this condition Mayor Landes has submitted to the Stone and Webster officials in Seattle a proposal for the revision of the purchase contract which will extend the time of the purchase bond and thus reduce the annual debt charges. The *Electric Railway Journal* states that the mayor's suggestion will probably be accepted provided that it can be done without affecting the priority of the claim of the bonds.

There seems to be little ammunition for either the friends or enemies of municipal ownership in the experience of Seattle as far as operation is concerned. Again, however, has the gravity of her original mistake in paying the price she did for the properties been impressed upon her. The kindest possible interpretation of the purchase price is that a shrewd seller met an innocent and anxious purchaser, with the usual economic results.

City Manager Charters Adopted and Rejected in 1926

During the calendar year 1926 the manager plan continued to lead the procession of new charters adopted. No less than eleven cities, with a total population of 193,051, decided to assume the new form of municipal government. They range from Maine to California, and from Wisconsin to Oklahoma.

The following table tells the story:

City	*State*	*Population*	*Date of Charter Adoption*
Edmund	Oklahoma	2,452	March
El Reno	Oklahoma	7,737	April
Hamilton	Ohio	39,675	November
Ludlow	Vermont	2,110	November
Newton	Kansas	9,781	August
Oklahoma City	Oklahoma	91,295	November
Plant City	Florida	3,720	June
Porterville	California	4,097	December
Rhinelander	Wisconsin	6,654	March
Rumford	Maine	8,576	April
Salisbury	North Carolina	13,884	August
Windsor	Vermont	3,061	April

In addition to the above, the citizens of Newport, R. I., by an overwhelming vote expressed a preference for a manager charter drafted under local auspices. This charter must, however, be enacted by the legislature before it becomes legally binding. The Hamilton, Ohio, charter, drafted by Dr. A. R. Hatton, includes P. R.

Several cities, including Atlanta, Ga., Petersburg, Fla., and Warren, Ohio, voted in favor of drafting a city manager charter to be presented later for the approval of the voters. A charter commission in Tacoma, Wash., is talking of preparing two charters, one a city manager charter and the other an improved commission plan charter, for submission to the electorate.

Eleven cities rejected the city manager plan at the polls. These include Minneapolis, Sioux Falls, S. D., and Lakewood, Ohio. Seattle is also counted in this group, although the city manager charter voted on was one in name only, and its defeat is rightfully counted as a victory for the serious supporters of city manager government.

Aside from the intrinsic merits of the city manager form of municipal organization, there are several valuable by-products of a city manager charter campaign. Chief of these is popular education regarding the proper place of the professional as contrasted with the popularly elected amateur in the administration of city services.

As noted on page 43 of the January Review, Santa Barbara, Calif., abandoned manager government on November 15, in favor of a mayor and council charter. The new charter becomes effective June 1.

Auburn, N. Y., which has operated under city manager government since 1920, voted on November 2 to draft a new mayor and council charter. Whether such charter when drafted will meet the approval of the voters remains to be seen.

Some Figures on Cost of Public Education

Expenditures for primary and secondary education, that is for public grammar and high schools, in the United States since 1900 have increased sevenfold, while the population during the same period has increased only by about half. This is due in part to the substantial extension of the public school system and the increase in educational opportunity offered, and in part to higher teachers' salaries and increased cost of equipment and maintenance, according to a study made by the National Industrial Conference Board.

In 1900, $214,965,000 constituted the annual budget for primary and secondary schools; but by 1924 the support of grammar and high schools had mounted to $1,820,743,000, an increase of 747 per cent. This is the equivalent of an expenditure of $2.83 per capita in 1900, and of $16.25 per capita in 1924, an increase in per capita expenditure of 474 per cent. Taking into consideration the decrease in the purchasing power of the dollar during the twenty-four years (as nearly as it can be measured in application to school expenditures), an increase in expenditure per capita of about 200 per cent is revealed between 1900 and 1924.

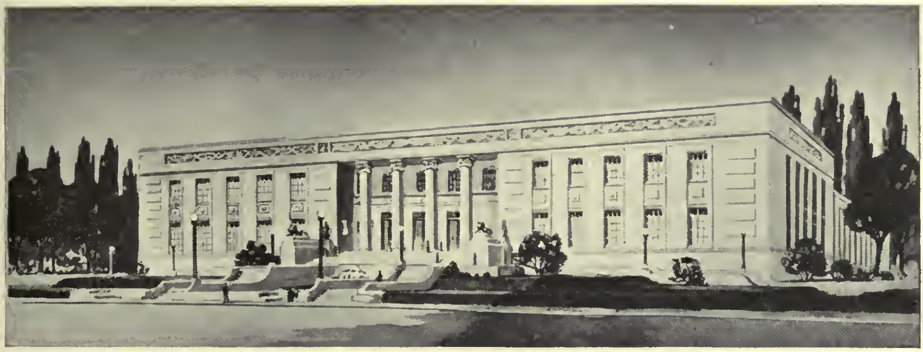
While the above figures are reduced to per capita cost, some statistics recently prepared by the research division of the National Education Association relate elementary and high school costs to income. On this basis North Dakota pays more for education (5½ per cent of income) than any other state; and Arkansas the least (1⅔ per cent of income). South Dakota is next to North Dakota in the upper level with a rate of 4⅓ per cent, while Minnesota is third with expenditures of 4⅙ per cent of income for education. In the lower level Georgia spends slightly more than Arkansas; and Rhode Island but slightly more than Georgia. It is interesting to note that the National Education Association ranks the states highest which spend the most for education, evidently on the assumption that the important thing is to spend the money and that the efficiency with which the expenditure is made takes care of itself.

The department of commerce is the third agency which has recently added its quota to the symposium on education costs. Its figures are particularly interesting because of the comparison with other departments of municipal government. In the 247 cities having a population of over 30,000, payments for the operation and maintenance of the schools during 1925 represented 37½ per cent of the total expenditures for the maintenance and operation of all general departments. Of the funded debts of these cities for general purposes, the school debt represented slightly less than 30 per cent of the total.

According to Mr. Hoover's department, the per capita cost of public schools in 247 cities in 1925, including interest on debt, was approximately $15, compared with the per capita figure of $16.95 for 1924 for the country at large, arrived at above by the National Industrial Conference Board.

As would be expected, the rich states afford their schools heavier financial support than the poor states, and according to the National Education Association, the general level of the educational attainments of the people of the rich states is higher than that of the people in the poor states. The people of the United States spend almost two billion dollars a year for tax-supported elementary and high schools, or 2¾ per cent of the annual income.

The tremendous increase over a period of twenty years is not difficult to explain, and the people of the country as a whole approve of it. Signs are not wanting, however, of a growing sentiment that school funds are not being administered with the greatest wisdom and economy.



BUFFALO'S NEW MUSEUM DEDICATED TO NATURAL SCIENCES

BY RUTH V. WEIERHEISER

The educational influence of this building, built from proceeds of a municipal bond issue, will be tremendous. :: :: :: :: ::

When the Buffalo Society of Natural Sciences next summer moves into its new building erected expressly for it in Humboldt Park by the city of Buffalo, the climax to nearly five years of solid work will have been reached. By "work" is meant the educating of several hundred thousands of citizens, including the city officials, to the inadequacy of the Society's present quarters and the need for a new and better equipped building in keeping with the size of Buffalo and the recent popular idea of a museum's potential educational facilities.

The first step was taken in 1922 when, from the legislature of New York, an amendment to the city charter was obtained which removed the possibility of any legal question that might be involved in the erection of such a building by the city of Buffalo. After conference, one of the members of the council agreed to present a resolution providing for the erection by the city of a museum building in Humboldt Park in accordance with the authority conferred by the charter amendment. The date for the public hearing on the resolution was set for February 23, 1923, in the council chamber. On that occasion over two hundred friends of the Society were present as speakers on behalf of the project. These were leading citizens, in most cases representing powerful organizations. But only three of the five commissioners were present for the hearing, and as Buffalo has a commission charter form of government which necessitates the affirmative votes of four of the commissioners on any question involving the issuance of bonds, the matter was referred to a referendum vote to be taken at the regular election the following November.

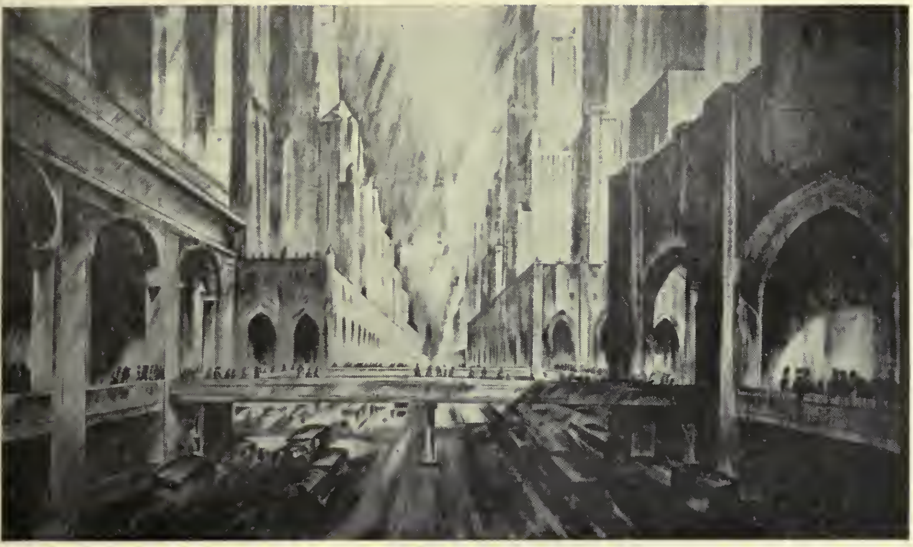
VOTE TO APPROPRIATE ONE MILLION DOLLARS—THE BUILDING DESCRIBED

Constant work was being accomplished by the friends and staff of the Society between the public hearing and election day, but on the evening of the latter day it was found that all had not been in vain. The election returns showed that over 45,000 citizens had voted in favor of the appropriation by the city of one million dollars for the erection and equipment of a new science museum building. The museum project had carried by a majority vote of 14,801. And now the building is just having its roof placed upon its four carefully laid-out floors. The ground floor will be occupied by a large children's department, an auditorium capable of seating four hundred persons, the visual education department which annually loans free of charge nearly 300,000 lantern slides from a collection of 55,000,—and a cafeteria for patrons and staff members.

The main floor is to be entirely given over to exhibitions. Two huge rooms in the front of the structure will be devoted to local flora and fauna and civilization respectively. Directly behind these is a series of rooms presenting a phylogenetic arrangement of the progress in the main divisions of science. The rooms begin with astronomy, proceed through biology, invertebrate and vertebrate zoölogy, evolution, heredity, public health, physics and chemistry, dynamic geology and end with prehistoric man. Several smaller rooms have been reserved for special exhibits to be changed more often than the foregoing permanent series. The second and third floors will be devoted to executive offices, research laboratories, workshops, storerooms for reserve collections and round table rooms in which the various scientific clubs associated with the Society proper can hold private meetings.

It will, of course, take some time to complete the installation of exhibits throughout the main floor of the museum. As soon as the two large rooms are ready, however, the public is to be invited to inspect them and the occasion is to be known as the grand opening. Inasmuch as the building in Humboldt Park is situated at the center of a two-mile radius of seventy per cent of the city's school population, many thousands of school children will find the museum a veritable Mecca of information. The Friday evening free lectures which the Society has sponsored for over twenty years will continue to be given in one of the downtown high school auditoriums because it was not thought feasible to construct an auditorium capable of holding two thousand people in the museum, the general idea having been to give every inch of space possible to exhibits.

The comparatively near future will see the completion of one of the latest types of museums from an educational point of view. It won't be the largest, it won't be the most heavily endowed, it won't be the most expensive structure, but it will embody years of forethought, planning and untiring industry. It goes without saying that it will be crowded from the moment the doors are open.



Looking Down a New York Street in 1975
As Visioned and Designed by Harvey Wiley Corbett

UP WITH THE SKYSCRAPER

BY HARVEY WILEY CORBETT

A distinguished New York architect hastens to the defense of the abused skyscraper. It is not the cause of traffic congestion; on the contrary it tends to relieve it. :: :: :: :: :: ::

THE City Club of New York issues a little bulletin each month. It is entertainingly written and neatly gotten up. It tells things about city government, and gives a lot of interesting facts. I have received it regularly for quite a while, and have come to look forward to it as I used to look forward to the *Youth's Companion* and *Saint Nicholas* when I was a boy.

But recently I found two issues on the desk before me, and I knew at once that something was wrong. I looked with bewilderment and a little anxiety at the enormous black type on the front pages:

MUNICIPAL MURDER
KILLED 54. WOUNDED UNKNOWN
WHAT NEW YORK DID TO ITS OWN CHILDREN IN JUNE

Murder? Horrible! Accustomed as I had become to murder as reported in the tabloids, the word always gave me a thrill of terror. But *municipal* murder! Heavens, had the Mayor been shot, or— I tried to calm myself. Maybe it was all a joke. Then I read the sub-heading:

LATEST CASUALTY LIST FROM THE SKYSCRAPER-MOTOR CAR FRONT ALONG THE SIDEWALKS OF NEW YORK

I admit I was puzzled. Skyscrapers? Motor cars? Had somebody's Buick sedan suddenly gone mad, and slashed some innocent creature's throat with a razor? Was it possible that the Equitable Building had been skulking up Broadway o'nights, brandishing a Colt automatic? Then suddenly a chill

Wide World Photos

BOOK TOWER, DETROIT

Work has begun on this structure which will be 81 stories high, stretching 873 feet into the air

struck me to the very marrow. Perhaps—just perhaps—one of my own little brood had disobeyed papa and was out painting the town red. If the Bush Building, for instance— But that was preposterous. Of all our little ones, Bushie, as we affectionately call him, is the most serious-minded. He's always home at night working on his arithmetic lesson.

When I had recovered sufficiently to proceed, I determined to get to the bottom of this mystery.

> Killed 54.—Wounded Unknown.—This is not a war communiqué of 1918, nor does it refer to American soldiers. It is a peace bulletin of 1926. It refers to American CHILDREN, who were alive in May and were killed in June—June of this very summer that is still fading into autumn—KILLED, by the motor vehicles in the streets of New York.

That might be all very well so far as the automobile went, but where did the poor skyscraper come in? I read on:

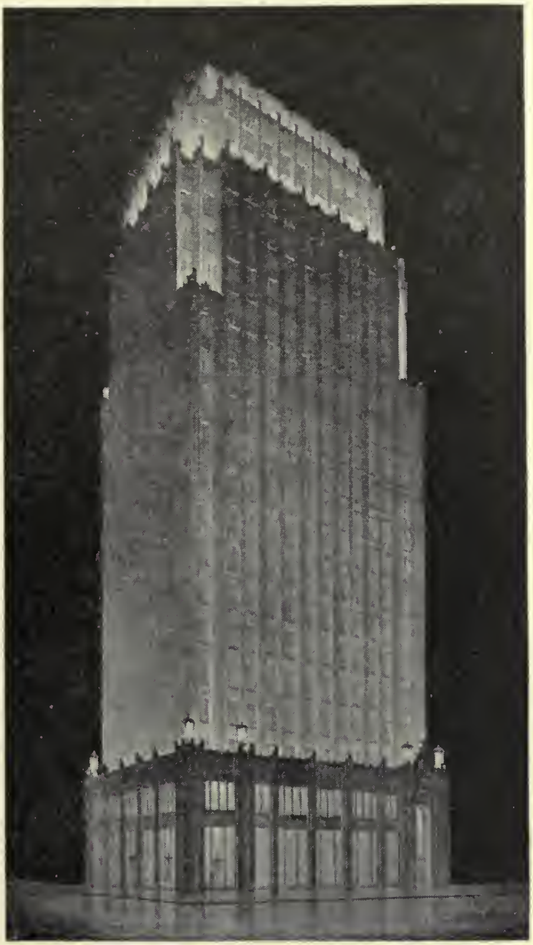
> The City Club has already brought figures to light showing the mounting MUNICIPAL MURDER rate of New York, at the hands of the clumped skyscrapers and the packed and pushing motor vehicles that the skyscrapers breed.

At last light began to dawn. Somehow or other the skyscraper was the real villain. The skyscraper caused the congestion, that narrowed the streets, that filled the subways, that bred the motors, that killed the little children. It sounded suspiciously like "The House that Jack Built." But to proceed.

> The first prize for motor-car murder must be given to the month of June, 1926. In that month alone, 54 children under fifteen years of age joined the childhood regiment of the dead—in June, when the schools were out, and Nature's weather called them to play. The murder rate for children then rose to two a day. "What is so rare as a day in June"—without the KILLING of a few children here and there as they skip about in their dance of death between the sidewalks of New York?

In spite of myself, I began to admire the literary style of the *Bulletin.* It sounded like the editorials in the tabloids at their best. Bernarr MacFadden would have been proud of it, and even Arthur Brisbane would have leaned back after writing that paragraph with satisfaction at a good day's work done. At the same time, I had a haunting feeling that someone—someone near and dear to me—was being falsely accused. I pushed on to get to the root of the matter.

> With a vengeance, this is MUNICIPAL MURDER—because the city can, and does not, scatter the clustered skyscrapers to whose appetites the motor cars must minister—because the city can, but does not, regulate the roaring motor monsters as they speed through the narrow streets filled with children at play—because the city can, but does not, establish more and still more parks and playgrounds where children may play in safety instead of being entirely confined to the motor-thronged streets—because the city can, but does not, do something about it.
>
> Will the Board of Estimate and Apportionment take this up without waiting for the Mayor's Committee? Will they?
>
> The City Club will continue to ask this question—and will do more—in memory of the 54 LITTLE CHILDREN KILLED by the kind of a June we have in New York.



Helmle & Corbett, New York

Office Building, Pennsylvania Power and Light Company, Allentown, Pa.

It will house employees now scattered throughout twelve or fifteen buildings. Scarcely another building in town is over four stories

I was beaten, ashamed, bewildered. Fifty-four little children killed by skyscrapers—or was it June? Something was decidedly wrong, because the proverb says that where there is smoke there is fire. But the smoke was too thick at the moment. I must take time for reflection.

A RAY OF HOPE—LONDON TRAFFIC WORSE

Days, weeks, passed. I sneaked around with bowed head and guilty conscience. My tribulation was only augmented when I heard Mr. Henry Curran, the able attorney for the City Club, speak before the Building Congress. The burden of his speech was "Down with the Skyscraper." It was too much.

At last came a ray of hope. A reporter for the *London Times* came into my office bearing a clipping from that paper which told of the traffic congestion in London.

It appears that Lord Montague, a famous traffic expert over there, had confessed that traffic congestion in the city of London had arrived at a hopeless state. The subways were impossible. Buses and taxis could hardly move.

Now I am somewhat familiar with London, and I remembered having seen motor traffic more hopelessly tangled than it ever was in New York. I have taken the tube at Victoria Station morning after morning on my way to Temple Bar, and I have been just as badly squeezed and shoved as I had ever been in New York.

I further remembered that the street area in London, in proportion to the building area, is far in excess of New York. Besides, the city is studded with small parks. But there is not a single skyscraper in all London! The highest building is ten stories—and we built that ourselves.

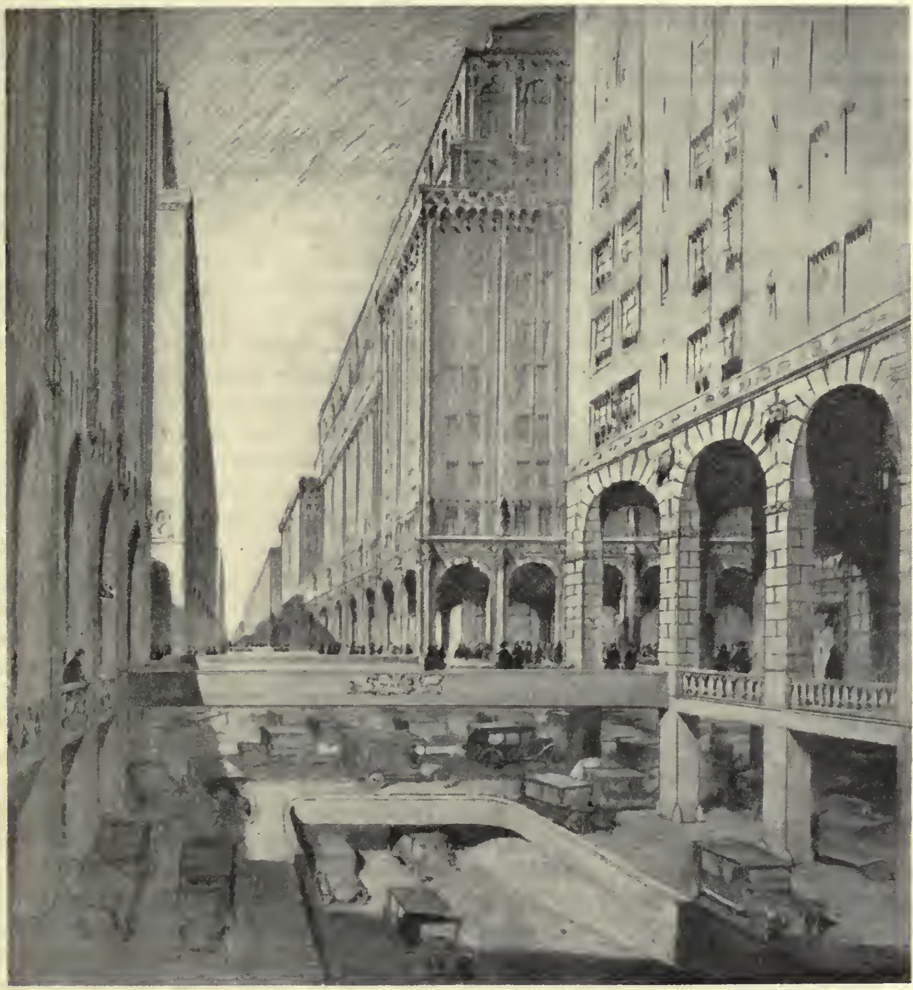
I began to breathe easier. Maybe the City Club *Bulletin* had accused the wrong party. Perhaps Prosecuting Attorney Curran had haled the wrong prisoner into court. The more I thought of it, the more convinced I became that the very trouble in London was the *lack* of skyscrapers. Business in London is spread over an enormous area, with the result that buses, trams, taxis, and subways are constantly crowded with people going from one building to another, one part of the city to another, to carry on business. In downtown New York, a business man consults his broker, eats his lunch, sees his lawyer, buys his wife a box of candy, gets a shave, all in the same building. At most he walks a few blocks. Most of the time he travels up and down instead of to and fro. But in London, a business man's duties take him all over town—on the surface.

THE SKYSCRAPER HAS NOTHING TO DO WITH IT

So I came to the conclusion that the skyscraper had nothing to do with it. Skyscraper or no skyscraper, the automobile situation would be the same. In New York's financial district, in fact, where the buildings are the highest and the streets narrowest, there is actually less congestion than along the shopping and residential streets. Is it because the business man knows it is useless to drive downtown? I doubt it. He hasn't any use for his car during business hours. The financial district, because it is built high instead of wide, is a very compact unit, and most of the traffic is vertical instead of horizontal.

If we took Mr. Curran's suggestion and levelled the entire island out to seven or perhaps ten stories, what would happen? Business would spread. Would that relieve traffic? Not at all, because now, the man who has to confer with a business associate finds him in the same building, or in one near by. Whereas, if the city were levelled out to an even height, he might have to go five times as far. Then he would take a taxi, and by just that much increase motor congestion. Taxis don't do much business during working hours downtown, because vertical circulation —elevators—is the chief mode of transportation. Which do you suppose congests traffic more: 50 thousand people riding up and down in elevators, or 50 thousand people riding on the streets in taxis or trolley cars?

Let us take an individual example to show how a skyscraper may actually reduce street congestion. At the present moment we are erecting in a small city in Pennsylvania a 22-story skyscraper. There is hardly another building in the town over four stories. This structure is being erected for an enormous concern—the Pennsylvania Light



Helmle & Corbett, Architects

A Three-Level Street of the Future

and Power Co.—and their employees at the present time are scattered throughout the town in twelve or fifteen buildings. The employees come to business in motors and park them in the streets. To get from one building to the other, they use their cars. But when the new building is complete, and all departments are under one roof, they will keep off the streets all day. Waste motion is eliminated, greater efficiency insured, and traffic greatly simplified.

I am beginning to feel that it is my plain duty to send Lord Montague some plans for a few of our latest models in skyscrapers—something neat in forty-two stories, say. They ought to clean up London traffic congestion nicely!

But still the blame for "municipal murder" had not been placed. I turned back to the City Club *Bulletin* for further enlightenment, and discovered the following quotation from a New York newspaper:

> Another victim of an automobile accident yesterday was eight-year-old Peter ———. He was killed by an auto truck while crossing Second Avenue at 112th Street. Examination of the truck after the accident showed that its brakes were defective, the police said. The driver of the truck was arrested, charged with homicide.

Doubtless that motor truck, with its luxuriously appointed interior, and its liveried chauffeur, was roaring down Second Avenue, bearing some frenzied financier to his great office building in the heart of the financial district—which, as everyone knows, is situated at Second Avenue and 109th Street!

WHERE DOES THE BLAME LIE?

The *Bulletin* chooses its examples badly. If little Peter had been rolling his hoop down the steps of J. P. Morgan and Co. into Wall Street, the reader would be more impressed. But Second Avenue and 112th Street! I am sure that the death rate from motor cars on any corner of any suburb of Akron, Ohio, is as great as at Second Avenue and 112th Street.

I do not mean for a moment to joke at the expense of children whose lives are constantly imperilled by automobiles. The traffic situation is acute, and something must be done about it. It is a veritable dance of death, as the *Bulletin* says. But the children are dancing with the automobile, not the skyscraper. It is hardly fair to pull at our poor old heartstrings and squeeze our overworked tear ducts by luridly painting this grim massacre of little children, and then accuse the wrong party. Wholesale murder by traffic is no more acceptable to civilized countries than wholesale murder by war, but when wars break out, we do not blame the casualties on the factory buildings, that housed the machinery that manufactured the rifles, that shot the bullets, that killed the soldiers.

The real criminals are the automobile and the careless driver. Little Peter was killed because that truck had defective brakes. There is no denying that traffic congestion in some parts of New York is terrific. A man walking in the street occupies only about ten square feet of surface, but an automobile standing or parked occupies one hundred square feet. The same automobile moving slowly takes up two hundred square feet of street room, and when the speed is increased to 15 or 20 miles per hour, it takes up three or four hundred feet of street surface. Just divide the area of the streets by the number of automobiles in Manhattan and you have the answer.

Traffic is bad in New York, but it is worse in other cities where the average building height is far less. Detroit and Los Angeles, for instance. But Detroiters put the blame on the automobile, where it belongs. They will not, however, stop building automobiles, and we will not stop building skyscrapers, as long as both continue to perform a vital function in our lives.

I am heartily in accord with Mr. Curran and the *Bulletin* when they fight for more parks, and for regulation of traffic. We need more open spaces. It is up to the engineers and architects and traffic experts to see that street capacity is increased and parking facilities provided to remedy existing evils. But I notice that Mr. Curran doesn't suggest *abolishing* the automobile. Perhaps he has just bought a new one.

You can't kill off the skyscraper, for it would be against nature and progress. Our tall buildings have proved their efficiency as a factor in business a thousand times over. They may have started as a speculative proposition, but if they had not been found good, they would have died. Speculation never lasts, but you cannot stop normal growth. Growth is progress. The only way to stop a tree from growing is to kill it. A city is not just a mass of bricks, stones, streets, subways. It is an organic-growing thing, with its inhabitants flowing through its veins like the corpuscles in the blood.

The subway is another serious problem. The backers of the "Down with the Skyscraper" campaign point out, and with some truth, that as soon as new subways are built, there are new skyscrapers to be filled, and the congestion is just as great as it was before. It is a vicious circle, they say. But is that any reason why we should stop building subways to the congested districts? Mr. Daniel Turner, engineer to the Transit Commission, has suggested a bright solution. He thinks we might start subways from points where nobody is, and carry them out of the city to places where nobody wants to go. Then we would see the end of the straphanger.

The skyscraper is here to stay. Its present development is by no means ideal. It has received much abuse. But concentration of tall buildings in certain sections is bound to occur in one form or another. The engineers and architects and city planners must see to it that it grows intelligently and rationally, taking advantage of all that science has taught. Then subways and motor traffic will slowly be adjusted in accordance with demand and with common sense.

TOWN PLANNING IN THE CITY OF SPIRES

BY ANDREW H. BERDING

Brasenose College, Oxford University

Oxford's charm is due in a measure to the absence of city planning in the modern sense. But the old garments no longer fit. :: ::

THE town council of this famous old university city, known the world over as the "City of Spires"—Oxford, England—has put its wise heads together and is evolving a city plan.

The projects the councillors are considering are proving of interest to London municipal authorities and contain matter that should have the attention of municipal heads in American cities too.

One of them, for instance, is the wholesale purchase by the city of property on its outskirts, which later will be sold to individuals and corporations as the city grows, and developed under the supervision of the city. By these means it is hoped that wide roadways will be provided, together with open spaces and garden spots.

Another novel project is to prohibit the erection of any homes or factories in the district which may during the winter and spring months be flooded by the Thames—at Oxford, you know, the Thames is called the Isis. Floods invariably leave property in an insanitary condition—as witness the inundation of some of the Florida cities during the recent hurricane, and this unhealthful condition the Oxford authorities wish to obviate.

NO OTHER CITY LIKE OXFORD

Oxford is a city of about 50,000 souls. Its history runs back a thousand years and more. Up until the

ST. MARY'S, OXFORD

Many Oxford streets may be too narrow for modern times, but no one can deny their charm of lights and shadows when they reveal a scene like this twentieth century it ambled leisurely on its way, no one daring to think of making changes. And in the first decade and a half of the twentieth century, this was likewise the fact. But just within the last five years Oxford has suddenly seemed to become too large for its clothes, and it is beginning to cry for a change of habiliments.

There are some exquisitely beautiful places in Oxford, but its narrow streets, some of them merely alleys, do not serve to show off these spots of beauty. Oxford is certain to expand as it has been doing in the last five or ten years. There is really no other city in England or on the Continent like it. It contains what is regarded as the best university in the world. Ancient and historic buildings stand on every street. Some of its main streets, like the High and the Broad, are noted for their beauty. The countryside around the city is charming. The railway service to London is perhaps the best in England. The tax rates are low. For a long time there has been a greater demand for houses than a supply. Under these circumstances a city plan is deemed a necessity by those who have it under consideration.

LAND DEVELOPMENT BY MUNICIPALITY

Under the Oxford Corporation Act recently passed, Oxford has the power to proceed with city planning ideas. The city has made a number of purchases of land in recent years. This land is now under development; cottages and other buildings are in course of construction. As a result of this buying policy of the city it is estimated that Oxford has on hand in its own name enough land to accommodate construction work for at least five years.

This ability of an English municipality to purchase large tracts of land, whether or not the city has an immediate need for them, is to some extent similar to the excess condemnation power being exercised by many of the larger American cities at present. Like the excess condemnation of the United States this wholesale purchasing of land with an eye to the future may be the means of reaping a neat profit for the city. But those who are studying the purchase plan of Oxford say they are not "out" for profit. The statement was recently made that: "No city corporation can well be accused of speculating if it takes steps to provide for the welfare and health of its inhabitants and buys land when the price is very low, as it has been near Oxford for many years. It may, on the other hand, perhaps be accused of remissness if it fails to take action in time and loses favorable opportunities which will never recur."

The maker of this statement, Raymond W. Fennell, who is making a special study of Oxford's city planning conditions, summed up the advantages of the municipal purchase plan by saying:

"It is not only that a city can control development better and reserve open spaces more easily if it is the owner of building land close at hand. It can resell what land it wishes to those waiting for a home and so recover a portion of the purchase price—for there is no need for a city to keep land indefinitely once the best use is being made of it; it can help and hurry forward private building operations that are often checked or completely stopped by lack of water and proper sanitary arrangements, as indeed they have been near Oxford; incidentally it can probably earn big profits in the process; and besides all this it can often most easily relieve existing crowded areas if it owns open ground close at hand on which cottages can be built. The advantages of owning land in the earlier stages of development are overwhelming."

Unfortunately, the writer of this article is not an idealist, but a "hard-boiled" newspaper man from Ohio studying at Oxford University. And there at once occurs to my mind the immense possibilities for "graft" on the part of city officials in the way of buying up land and supplying water and other public utility comforts and necessities to their own subdivisions first, while making the private real-estate promoter wait his turn. This dangerous temptation to participate in the profits of a municipal enterprise so large would deter many states from making such a condition legally possible.

FLOOD AND SLUM AREAS

In line with its city planning discussions the city council is likewise considering prohibiting the erection of buildings in the flood area.

"There is only one sound course open," said a recent advocate of this plan, "and that is to induce the Ministry of Health to proclaim definitely that nowhere shall building take place in the Thames valley, either at Oxford or elsewhere, in areas that are liable to flood. There can be no satisfactory compromise on a question of this kind. It is the question of pure water and of health for miles along the valley."

The Oxford medical officer of health has advocated the wiping out of a whole section of Oxford, known as St. Aldate's and St. Ebbe's, whose buildings are tumble-down, damp and dark, with an almost total lack of ventilation. Some of these old buildings were once the "digs"—lodgings—of distinguished scholars, who lived out of college. But their historic significance renders them none the less insanitary. Acting on the health officer's report, the town council has decided to widen St. Aldate's, the main street of the district, and ultimately to clear off the comparatively small number of houses situated east of this street.

Mr. Fennell, already mentioned, has suggested to the council that the whole area be pulled down, a section at a time, and six or seven acres, "not too near the city," should be set aside for a standing camp to house the occupants of the condemned buildings.

City council likewise has under consideration the suggestion that it make a business proposition of the proposed condemnation, build a new commercial subdivision on the sites of the old buildings after they have been torn down, and reap substantial financial rewards. St. Ebbe's is situated very near the center of Oxford, and the land is comparatively quite valuable.

WILL CHANGES REDUCE OXFORD'S CHARM?

Although the streets around the center of Oxford are models of architectural finish, the approaches to Oxford are in direct contrast. They do not at all give the visitor an indication of what he is to find within the city.

The present Mayor of Oxford has requested the Royal Institute of British Architects to appoint a small committee which the city might consult on questions such as the approaches to the town. The committee has been appointed and is ready for consultation.

Perhaps some of the more intimate charm of Oxford will be dissipated by these many changes. It is a delicious kind of wonder one has as one walks down the winding, curving streets, never knowing what the next corner will bring—like as not a blind street. But something must be done, because Oxford is facing a real problem.

Christ Church, Oxford

The approaches to Oxford do not reveal to the visitor entering the city the beauty hidden within. A committee of the Royal Institute of British Architects is studying how they may be improved

J. Wells, ex-vice-chancellor of the University, calls it "a problem of the utmost importance, and one which is of the present. Our generation in Oxford still retains more of the inherited beauty of the past than any city in England, except Cambridge; but we are losing some of it every year."

THE SUPREME COURT SPEAKS AGAIN ON "FAIR VALUE"

BY JOHN BAUER

Director of the American Public Utilities Bureau, New York City

The Supreme Court leans more and more to reproduction cost as a measure of value. Other considerations were also involved and the present case cannot therefore be considered as a positive and final decision on this important question. :: :: :: :: ::

On November 22, 1926, the Supreme Court of the United States declared confiscatory the water rates fixed on January 1, 1924, by the public service commission of Indiana for the Indianapolis Water Company serving the city of Indianapolis, Indiana.

This decision will probably mark one of the principal points in the history of the Supreme Court's dealing with the complicated problem of public utility rate-making. Its importance is not in the *decision* itself declaring the particular rates confiscatory, but in the *opinion* discussing the principles of valuation for rate-making. Heretofore the court has not been more specific than to say that a company must be allowed a "fair return" on the "fair value" of its property devoted to the public service. Just how "fair value" is to be determined, it has steadfastly refused to prescribe except in the very general formula laid down in the famous case of *Smyth* v. *Ames*.[1] It stated that consideration should be given to

> . . . the original cost of construction, the amount expended in permanent improvements, the amount and market value of its bonds and stock, the present as compared with the original cost of construction, the probable earning capacity of the company under particular rates prescribed by statute, and the sum to pay operating expenses . . . and are to be given such weight as may be just and right in each case. We do not say that there may not be other matters to be regarded in estimating the value of the property. What the company is entitled to ask is a fair return on the value of that which it employs for the public convenience. On the other hand, what the public is entitled to demand is that no more be exacted from it for the use of a public highway than the services rendered by it are reasonably worth.

This statement has been repeated and referred to almost innumerable times, and with some later amplifications as to depreciation, going value, past profits and losses, it has been the law. It has indicated the elements to be considered in a valuation, but has not fixed the relative weight of the several factors.

During the past ten years, the chief question in rate cases has come to be whether "fair value" should be based primarily upon the actual investment in the properties or upon the reproduction cost at the time of the inquiry. In some cases the court in the majority opinion has stressed the reproduction cost factor,[2] but in others has given approval to the dominance of actual investment.[3] In the present case, however, the majority opinion—*as distinguished from the decision*—flatly validates reproduction cost and presents the conception in such precise terms as to leave little room for doubting the significance of the language so far as the particular case is concerned. The principal statement is as follows:

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[1] 169 U. S. 466, 544 (1897).

[2] Southwestern Bell Case, 262 U. S. 276; Bluefield Water Case, 262 U. S. 679.

[3] Georgia Ry. and Power Case, 262, U. S. 625; Galveston Case, 253 U. S. 388.

> And, as indicated by the report of the commission, it is true that if the tendency or trend of prices is not definitely upward or downward and it does not appear probable that there will be a substantial change of prices, then the present value of lands plus the present cost of constructing the plant, less depreciation, if any, is a fair measure of the value of the physical elements of the property.

This language is plain. Moreover, the court's discussion of the methods of valuation used by the commission further emphasizes the conception that the value of a public utility plant depends solely upon present and prospective prices. Past prices and costs are important only as they reveal the trend of future costs. If the level of prices at the time of the valuation promises to continue for a considerable future, without substantial increase or decrease, then the reproduction cost less depreciation, is the proper measure of value. If the trend is downward, then a lower valuation would be required; if upward, a higher valuation. Value is thus measured not in any way by actual past costs, but wholly by present and prospective costs for a considerable future period.

IS THE MEANING OF FAIR VALUE MODIFIED?

Other aspects of value are treated in the opinion, but they are secondary to the apparent approval of reproduction cost and will not be considered in this survey. The uppermost questions raised by the opinion are: What control will it exercise upon future cases, and how will it affect future policy and methods of regulation?

As to the first question, the language appears exact and sweeping, but the decision itself seems quite acceptable under the "fair value" rule as it has been heretofore regarded. The decision itself declaring the rates invalid did not depend upon the express acceptance of reproduction cost as the constitutional measure of value. It would be justified upon other grounds, as is indicated by Justice Holmes in merely concurring in the decision without joining in the opinion. Justice Brandeis wrote a dissenting opinion joined in by Justice Stone; their disagreement appears to be based upon the declaration on value, rather than upon the basic facts whether the rates were adequate regardless of the full recognition of reproduction cost in the valuation.

The opinion written by Justice Butler sets forth quite fully the procedure of the commission in fixing the valuation upon which the rates were fixed. The quotations from the commission's opinions and reports in dealing with the same company in earlier rate adjustments, show that the commission was badly involved in political considerations and did not base its findings wholly upon the facts which it seemed to recognize as existing. Its procedure in fixing the rates was sufficient to justify their rejection without requiring them to be based upon the reproduction cost of the properties.

THE COMMISSION'S INEPT PROCEDURE

The commission had dealt with the same property in case No. 1400 and in case No. 6613. In the first case it reported that the value of the property as of January 1, 1917, was not less than $9,500,000, and in the second that as of December 31, 1921, the value of the "operative and non-operative" property was $16,455,000. In the latter case it discussed the great rise in prices which had taken place, and practically confessed that it had not given sufficient weight to the higher price level. Moreover, it presented at considerable length the company's water rights, acknowledged them to be highly valuable, but gave them slight if any weight in the value as determined. Finally it praised the company's operating organization, its connections and prospective developments, and thus practically avowed that it had not given sufficient recognition to the "going value" of the property.

To anyone acquainted with the inevitable political slant of commission procedure, what happened is plain enough. The commission felt that it should allow a substantial increase in the valuation over the 1917 figures because of the higher price level in 1921, and then to head off criticism of its action it spread out a lot of generalities which may or may not have been so, but which would make it appear keenly zealous for the public and very niggardly toward the company. If the commission believed what it said, then the value fixed as of December 31, 1921, was too low and unfair: hardly any other conclusion is warranted.

But when the commission came to the present case—facing active public opposition to an increase in rates—it did not even stick to its previous findings. For May 31, 1923, it found that the value of the "operative property" was not less than $15,260,400, although the "operative and non-operative" had been fixed at $16,455,000 as of December 31, 1921. There had been a lapse of nearly one and a half years with additional construction for improvements and extensions, and yet the later valuation was $1,194,600 lower! Why? There is a discrepancy in that the earlier figure included "non-operative" property; but this was slight,—estimated at $648,921 by the commission's engineer, and at $68,000 and $119,000 respectively by two engineers employed by the company. Moreover, the commission's engineer testified that the earlier valuation was based upon average prices of ten years prior to 1921, and that the average for the ten years ending with 1923 was considerably higher; also substantial reductions were made in working capital and going value.

"THE POOR PUBLIC"

The commission's own dealing with the property justified the rejection of the rates as inadequate, without basing the decision upon the reproduction cost as the measure of "fair value." Doubtless the commission's inept handling of the case was largely responsible for the pronouncement which may have an unfortunate bearing upon future regulation. The case illustrates excellently one of the circumstances which has helped to befog the issues and to produce opinions unfavorable to desirable and effective regulation.

The public side,—*i.e.*, the side of sound public policy,—has first and last suffered immeasurably through political factors injected into rate-making, by inept procedure, and by unintelligent presentation of the cases. Poor cases, poor handling, poor lawyers, and judges without adequate understanding of the economic and public issues, are certain together to make poor law.

Yet this is but one case, and in another the situation may be changed materially, just as happened in 1923 when two apparently contradictory opinions were issued on the same day.[4] In a case which really involves a full recognition of reproduction cost as the measure of "fair value," there may be a different decision. When that is the direct issue, we may see a different line-up in the personnel of the court. Even in this case, Justice Stone joined in the dissenting opinion with Justice Brandeis; while Justice Holmes merely concurred in the decision without approving the opinion. And may we not hope that at least two more judges may see the grave consequences of definitely fixing reproduction cost as the measure of value when that is the decisive issue in a particular case?

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[4] The Bluefield Water Case and the Georgia Ry. and Power Case, above cited. The first strongly stressed the importance of reproduction cost, while the second relied principally upon actual cost and stated expressly that a company is not entitled to have its value based upon reproduction cost.

THE ECONOMICS OF REPRODUCTION COST

The opinion in the present case, however, should not be passed by lightly without considering its possible if not probable bearing upon the entire problem of effective regulation. If its plain implications became fixed law, how could regulation be made workable? There is widespread opinion that regulation has been largely a failure. To the extent that this belief is justified the failure has been due chiefly to the lack of an administrable basis of rate-making, and this condition would be perpetuated by the definite establishment of reproduction cost as the rate base. Every rate adjustment would be based upon the then value of the property, which would depend upon the then prices and cost of reproduction. This would mean a constant conflict of interest between the companies and the consumers, would require repeated valuations, and would make the administration of rate-making cumbersome, constantly litigated, tremendously costly, and highly unsatisfactory. Moreover, it would inject a dangerous economic factor which for the future would imperil many billions of investments and threaten a vast disorganization of the fundamentally important industries.

If we should pass through a period of falling prices, such as followed the Civil War and other high price periods, the reproduction cost basis of value would bring insolvency to a large proportion of the industries. This is due to the fact that on the average over 75 per cent of the utility and railroad investment is represented by bonds with fixed interest obligations. Consequently a fall of 25 per cent in prices below the actual investment level would wipe out all return to stockholders, and a decline of 45 per cent, as experienced during the thirty years after 1867, would force practically every company into the hands of a receiver.

The opinion seems to assume a predictability and constancy of future prices which are hardly warranted by the past course of prices. What is the trend at any time? How reliable is it? Can anyone say with confidence that we are not at the threshold of a long swing downward? Do we know what effect the reintroduction of the gold standard in Europe will have? The extension of the gold standard in Asia, South America and elsewhere? A let-up in building construction? No economist today would dare to say that we are not facing an immediate period of falling prices—nor that we are; particularly not in utility construction cost.[5] But they all know what the results of the changes will be. If rates were to be based upon reproduction cost, then in the face of the common financial structure of the utilities, falling prices would mean huge losses to stockholders and financial disorganization, while rising prices would bring inordinate gains to stockholders, —four times as great on the average as the increase in prices!

[5] Early in 1920 perhaps the foremost economist on price levels ventured to testify in a case that the then high price level would continue; everybody knows what happened during the next ten months.

WHAT IS CONFISCATION?

Presumably Justice Butler believes that there is confiscation if, when prices have risen, the return on the properties, or the measure of the investment, is not increased accordingly. The court, of course, can say what the law is, but it cannot alter the economic facts. If prices have risen 50 per cent above the investment level of a company, and if the company's financial structure is 75 per cent bonds and 25 per cent common stock, then on the reproduction cost basis the bondholders still get only interest on their actual monetary investment notwithstanding the higher level, while the stockholders get a 200 per cent increase in monetary return compared with the 50 per cent higher prices. From the economic standpoint, at least, this is something more than the avoidance of confiscation. But, if conversely, prices have fallen only 25 per cent, then the entire return allowed on the reproduction cost basis would go to the bondholders, and the stockholders get nothing. This would be economic, if not legal, confiscation for the stockholders: The court should grasp the full significance of this fundamental economic situation before fixing the law as indicated in the opinion.

INVESTMENT AS THE RATE BASE

The only administrable and financially sound basis of rate-making is actual investment. This is an economic fact which, unfortunately, has never been brought out with sufficient clearness and completeness in the cases passed upon by the courts. There has been hope that the legislatures might deal directly with the situation and place rate-making upon an exact basis. But, can this be done if the language in the present decision were to become accepted law? If not, what becomes of regulation? Shall we flounder endlessly? Shall we turn to public ownership and operation,—not because of superior efficiency and lower cost, but because of the legalized futility of regulation?

The public interest—*i.e.* from the standpoint of desirable public policy—is concerned with definite and administrable principles and methods of regulation, which at the same time are fair to the investors and the consumers, and rest upon sound economic and financial grounds. How can such a system of regulation be established? Would it be attainable if the implication of the recent decision were to become fixed law? Would the legislatures and Congress be estopped from providing for such standards even if otherwise regulation is doomed to failure? Must we look to other methods of dealing with utilities?

These are grave questions. Have they been fully considered by all the members of the Supreme Court? Are they willing to fix an inexorable policy with all its economic consequences? We might ask, what is the function of the court? Is it to establish rate-making policies, or to prevent confiscation? If the latter, then why fix principles which tie the hands of the legislatures? What is confiscation in a utility? Why not define it in its relation to the public interest? And why not leave to the legislatures and Congress to determine what constitutes desirable and sound policy?

SKETCHES OF AMERICAN MAYORS

V. JAMES C. DAHLMAN, MAYOR OF OMAHA

BY JOHN F. SHOWALTER

Lincoln, Nebraska

A life history and character portrait of "Cowboy Jim," champion long-distance mayor. How does he do it? :: :: :: ::

THE long distance record for service as mayor of one of the larger cities in the United States is probably held by Mayor James C. Dahlman of Omaha, Nebraska. He is now nearing the close of his sixth term. First elected in 1906, he has remained in office continuously since that time, with the exception of the three years from 1918 to 1921, and no doubt will be reëlected in the spring of 1927 for another three-year term.

A staunch Democrat, for nearly eighteen years he has headed the government of a city normally Republican. He withstood the arrival of state-wide and of national prohibition. He survived the change from the "mayor-council" to the "commission" type of city government. His plurality was scarcely affected when machine-dominated elections were supplanted by a state-controlled registration and election system. The granting of the franchise to women did not keep him out of office, as those who decried the laxity of his administration had prophesied. The first city election in which women were permitted to vote returned him to office after his one defeat. There he has since remained. Properly, then, he is an object of national interest.

A COWBOY IN EARLY LIFE

James Dahlman was born on a Texas ranch, ten days before Christmas, 1856. He received some education in a small neighborhood school; but much more that was to be valuable to him in later life, he learned astraddle a mustang, punching cattle on the range and along the trail. When a young man of twenty-two, he became involved with his brother-in-law in an argument in which the reputation of his sister was at stake. Shooting in self defense, he thought he had killed his brother-in-law. He left Texas, and secured employment under an assumed

JAMES C. DAHLMAN
With the exception of one term has been Mayor of Omaha continuously since 1906

name as a cowboy on a ranch in northwestern Nebraska. There his native qualities of leadership began to assert themselves, and he was soon made foreman. It was a number of years later, when he learned that his shot had not even seriously wounded his brother-in-law, that he resumed his own name.

In 1883 the foreman fell in love with and married the private tutor on the ranch. Mrs. Dahlman, a graduate of Wellesley College, though quiet and unassuming, is a woman of keen intellect and sound judgment. To her must be given credit for the cultural polish that has removed every outward vestige of the former cowboy, and perhaps for much of the counsel and direction which has advanced her husband politically.

Mr. Dahlman, successful in local politics, soon widened his activities. He was a regular attendant at state conventions of his party, and served on the state railway commission for two years. In 1892, and again in 1896, he was a member of the Nebraska delegation to the National Democratic Convention. He took an active part in securing the presidential nomination for his friend and fellow-Nebraskan, W. J. Bryan, and was a conspicuous figure in all the Bryan campaigns.

In 1899 Mr. Dahlman came to Omaha. Because of his experience as a cowboy he had no difficulty in securing a position with a live-stock commission firm in South Omaha. In a short time he became one of the most popular men in the Union Stockyards. In 1906, some of his friends who knew him intimately, suggested that he run for mayor of Omaha on the Democratic ticket. He had been in the city only seven years, and was comparatively unknown outside of South Omaha. For that reason his aspiration at first was treated as a joke. As the campaign progressed, however, people began to change their minds, — Dahlman was proving himself one of the finest campaigners that they had ever seen. He seemed able, with a few words—bromidic and platitudinous as they were—to touch a responsive chord in his audiences. So rapidly did he gain in popularity that during the closing days of the campaign he had to rent theaters to accommodate the crowds that wanted to hear him and he defeated his opponent, who was running on a "reform" platform, by 2,900 votes.

COWBOY JIM BECOMES MAYOR

"Cowboy Jim" was not a "reform" candidate. He did not become a "reform" mayor. Omaha was a "wide-open town" in those days, and there is no evidence that it became better or worse during his administration. A majority of the public, however, must have been satisfied, for Mr. Dahlman was elected for his second term over the candidate of the "Law and Order League" by a larger plurality than he had received three years before.

In 1910 Mayor Dahlman secured the Democratic nomination for governor, but was ignominiously defeated at the polls. Nebraska, except for Omaha and Lincoln, is largely rural. Aside from being closely associated with the metropolis, which the farmers believe is opposed to their interests, the mayor's fondness for the "cup that cheers" is said to have interfered seriously with his campaign, and weakened his position with the electorate.

During Dahlman's second term as mayor, Omaha adopted a commissioner form of city government, which, in substance, is in effect today.

Considerable opposition developed during Dahlman's fourth term. It was asserted that Omaha was one of the "wickedest cities in the United States," and that the city administration was to blame for the situation. It is maintained that there existed in Omaha a powerful political ring, ruled over by a man known as the "King of Gamblers"—a character of national fame in the underworld; that allied with him were the saloon interests, organized vice, several of the city's franchise corporations, and perhaps one of the daily newspapers,—a combination capable of bringing tremendous pressure to bear upon a considerable part of the electorate, as well as those in direct charge of the city's government. Mayor Dahlman and his colleagues were the alleged tools of this machine.

In the spring of 1915, one of the newspapers sponsoring a complete change in the city administration, selected seven men as its candidates for commissioners at the primary election. The "Dahlman Ticket" was made up of six commissioners and one new man. These seven were nominated, together with four from the newspaper's list, and three others. The newspaper promptly presented to its readers a new "slate," consisting of the four from its pre-primary list who had been nominated, one from the Dahlman list, and two of the others. At the election only two of the candidates on this "slate" were chosen, Mr. Dahlman and four of the other commissioners being reëlected. When the new council was organized Mr. Dahlman was made mayor for his fifth consecutive term.

REFORM WAVE RETIRES DAHLMAN FOR ONE TERM

The result of this election was a surprise to advocates of good government. Two years previously they had presented to the state legislature startling but undisputable evidence of so much corruption in the conduct of elections in Omaha that that body enacted a law providing for Omaha and Douglas county one of the most effective registration and election systems in the United States.[1] The system is state-controlled and directed, and almost completely obviates the possibility of padded registration lists, fraudulent voting, or falsified returns. It was relied upon to sweep out of office once and for all an allegedly inefficient, corrupt, machine-elected and controlled group of city commissioners. The result has already been shown. Either Mr. Dahlman had not owed his former elections to manipulations of election machinery, or the opposition was divided and scattered its vote. Another possibility presents itself—perhaps Mr. Dahlman's individual vote-getting proclivities excel those of any organization, dishonest or legitimate.

Omaha citizens interested in better law enforcement took advantage of the wave of reform that swept the country just previous to and during the World War, to emphasize to the voters the prevalence of vice in the city and the apparent helplessness of the authorities to cope with the situation. They urged and secured united action on the part of the voters. Concentrating their attack upon Mayor Dahlman, they were able to defeat him in the election of 1918, though they did not secure all the members—perhaps not even a majority—of the council. Their candidate for mayor was given that position. Immediately he became responsible for the enforcement of state laws and city ordinances, but had practically no control over the police department. This anomalous situation could not help but result in disaster.

The new mayor was not a long-faced, frock-coated "reformer," but a keen, intelligent, capable business man, vitally interested in bettering the government of the city of Omaha. From the start, however, he was handicapped. He lacked political experience; he did not know how to handle the type of men with whom he had to deal; he headed a divided council; he could not control all the machinery of government. Moreover, hostile interests were able to harass him at every turn. The city overflowed with criminals of all classes, imported—it is alleged—by the "king of gamblers" in an attempt to discredit the "reform" administration. The police were rather apathetic. Much publicity was given to crime and disorders. Women were urged to remain off the streets after nightfall. Conditions, however, probably were not so bad as pictured. No doubt a subtle and sinister system of propaganda was at work. An unbiased survey of the situation seems to indicate that laws were better enforced, and that there was actually less crime and lawlessness in the city than ever before. Near the close of the reform administration a negro lynching proved its complete undoing.

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[1] See National Municipal Review for November, 1926, for full description of Omaha's registration system.

Mr. Dahlman, astute politician that he is, sensing the popular revulsion, publicly interpreted the reaction against the reform mayor as a "popular demand" for his candidacy, and during a whirlwind campaign harangued clamorous audiences with speeches from which this is a typical excerpt:

> Give me these six men of the United Seven Ticket in the City Hall, and I'll guarantee you we will organize the police force and if we don't make the city safe, so men and women may walk up and down the streets at night, you can put me out.

The Dahlman ticket was elected, the ex-mayor heading the list with more than 10,000 votes plurality over the highest defeated candidate. "Cowboy Jim" was soon mayor of Omaha again, for the fifth time.

There were sporadic attempts to defeat Mayor Dahlman and his ticket in 1924. They resulted only in lowering his plurality somewhat and depriving him of one colleague. He is mayor now for the sixth time, and nearing the close of his term. In May, 1927, occurs the next city election. There are, at present, no indications that he will not then be returned to office for a seventh time. "Mayor Jim," it seems, is a fixture in Omaha.

A UNIQUE PERSONALITY LOVED BY ALL

What sort of man is this political paragon, whom the voters of the state rejected, and to whom the voters of Omaha continue to award the highest office in the city? He is a small man, thin and wiry, firm-mouthed and thin-lipped, clean-shaven and bald as an egg—the result of sleeping in his hat during his "range days." Though he is well along in years, he still delights in an opportunity to don his chaps and sombrero, "drap a leg across a likely lookin' cayuse," and, rope in hand, race forth to "get a calf." He has taken part in so many "roundups" throughout the United States that newspaper men commonly refer to him as "Cowboy Jim, Mayor of Omaha." In his office or on the platform, however, there is nothing about him, save the marked bow in his legs, to indicate his early occupation. He looks more like the genteel, but somewhat discouraged, proprietor of a small-town general store than like a cowboy. As Omaha has outgrown its "Main Street" and taken on the air of a metropolis, so its mayor has hidden his rough and ready cowboy nature under a veneer of culture.

Mayor Dahlman has an individuality all his own. Charming and magnetic in a quiet sort of way, he is easy to approach and makes friends readily. All who know him intimately—even his bitterest political opponents—love him. The youngsters of his neighborhood "swear by" him. Lavishly and impartially, he distributes among them cheerful words, friendly pats, and dimes—when he has them. Once a year he gives every child in the city who will avail himself of the opportunity, a "free" day at one of the city's private amusement parks, with street-car transportation included. He does this at no expense to himself, of course, since the corporations concerned are more than repaid in the advertising it gives them. It is good advertising for Mayor Dahlman, too,—political advertising; yet those who know his love for children, the joy he finds in their friendship, and his great delight in their pleasures, hesitate to say that the "Dahlman treat" is purely a political move.

Mayor Dahlman is a familiar figure in club and fraternal circles. He is an entertaining conversationalist, particularly when in a reminiscent mood he recalls his early days in Texas and Nebraska. Genial and loyal to his friends, nothing pleases him more than "good cheer" from them in return. Few men can slap so many others on the back and call them by their given names. In turn, he is "Mayor Jim" to hundreds of individuals from "Knob Hill" to "Poverty Flats." His fame in this respect is more than local.

GENEROUS TO A FAULT

The salary of the mayor of Omaha, always adequate, is now $5,000 per year. Yet the man who has held this office more than a fourth of the lifetime of the city; who is accused of selling pardons, licenses, and franchises freely; and who is alleged to be the tool of a wealthy gambling ring and political machine, is a poor man. He lives in a modest little home in a shabby part of the city,—a home which is not entirely free from debt. In his own words, he "hasn't done any entertaining for ten years" because he "couldn't afford it." He frequently brings sandwiches from home for lunch, and rides to and from his office on the street cars. He has no automobile. A few years ago some friends and admirers "chipped in" and bought him a car. He never used it and declined to discuss its disposal. According to a close friend, it was sold to pay some of his bills.

Mayor Dahlman gives away his money. His heart and his hand go out in response to calls of the poor and the oppressed, the widow and the orphan, the bum and the beggar. So long as he has a dollar in his pocket, anyone with a hard-luck story can get the last cent of it. When several other commissioners once complained that he was establishing a bad precedent by giving most of his salary to charity, he responded, "I've always been that way, and I can't help it; and I'll always be poor, because I'll always be that way."

Will he "be that way" when he retires from the business of seeking public office? If he has any money he will be, for he does not attempt to make "political capital" out of his inborn trait of super-generosity. No one will ever know the number or amount of his alms. He gives quietly, unostentatiously, individually, without thought of recompense. Many of those whom he has befriended, however, are voters. They have relatives and friends who are voters. Together they constitute a group of loyal supporters.

Anyone can get an audience with Mayor Dahlman; all he needs to do is to await his turn. When the mayor is in his office he is busy receiving an almost steady stream of visitors—people who have come for assistance or advice; friends, associates, and newspapermen to pay their respects or to chat a bit with him; citizens with plans for furthering their own or the city's interests; and taxpayers with personal grievances and complaints. Because there are usually so many in the latter group, the mayor's office has come to be known as the "city trouble department." He takes a personal, kindly, human interest in each individual, and attempts—so far as possible—to have all causes of complaint removed. As an example, not so long ago when the proper city department was not sufficiently expeditious, he made a trip to a vacant lot in an outlying part of the city to supervise personally the removal of some rubbish offensive to a solitary resident of the district.

There is one plea, however, that he will not heed,—the plea of social workers that beggars be removed from the streets and properly taken care of in charitable institutions. If the mendicants prefer a meager existence with the excitement of the city to a comfortable living in a quiet institution (as most of them do), the mayor says that he has not the heart to deprive them of the little joy they get out of life. That is why visitors to Omaha are surprised and often disgusted to see the number of lame and blind (revolting specimens of humanity for the most part) occupying their respective niches on the city's busy streets, trading a pencil or a mumbled song for the dimes and quarters of passers-by.

It is almost as easy to get a pardon from Mayor Dahlman as it is a dime. During the past eighteen years he has issued close to 8,000 pardons,—an average of more than one a day. He attempts to justify this prodigious clemency with the rather doubtful statement that fewer than 100 of the people he has pardoned have ever been arrested a second time.

Mayor Dahlman is well advertised. Scarcely a week passes without his picture or some story about him appearing in the local papers. The reporters find him friendly, and delight in "playing him up." His cowboy days, his experiences on the ranch, his more recent activities in cattle-roping contests—all furnish material for news write-ups, feature stories, and editorial comment. A recent illustration is characteristic: A few months ago he attended a pioneer picnic on the ranch where he met and won Mrs. Dahlman. He obliged the photographers and newspaper men by pointing out the "popping spot," and described for them his courtship. Contemplating his trip to the ranch before leaving Omaha, he is reported to have mused aloud:

> It was back in 1883 when the girl who is now my wife came out into that country, which was wild in those days. . . . She . . . was a sight for sore eyes. I fell in love, fell hard. We used to ride horseback all over the ranch. I sure long to see again the ravines and nooks that we visited, and to pick out the spots where I popped the question. There are lots of them where "No" was the answer. But there is one spot—ah!—where she said "Yes." I am going to visit them all.[1]

"No wonder," said an editorial writer, commenting on the above, "that he has been mayor of Omaha since heck was a pup. How, gentle heaven, are you going to keep from voting for a man like that?"

NOT A CONSTRUCTIVE LEADER

What has Mayor Dahlman done for Omaha? His chief activities seem to be uttering messages of felicitation, delivering addresses of welcome, and presenting the keys of the city. In this he is somewhat versatile, and usually finds something pleasing to say. Seldom has he taken an agressive stand on any issue of public policy. True, he advocated home rule, the initiative, the referendum, the recall, and the commissioner type of government, but only after the popular demand for these reforms was evident. A short time ago he urged a forty-year extension of the street railway franchise. When this proposition was overwhelmingly defeated at the polls, he rather timidly suggested that perhaps the people wanted public ownership. He has furnished no constructive leadership either for the public or for those in the city's employ. Toward big business and organized vice he has adopted a policy of *laissez faire.* He bases his campaign arguments on the statement that he has "given the people what they wanted." Rather, he has allowed business interests to have what they wanted, and has hoaxed some of the people into believing that the public got what it wanted. He is given considerable credit for keeping the city tax rate low as compared with other cities of similar size.

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[1] *The World Herald*, Omaha, Nebraska, August 21, 1926.

There are gambling dens, houses of ill fame, and "blind pigs" (that are not so very "blind") in Omaha. They run without interference from the police, perhaps under their protection. The number is limited, however, for the vicious forces, commercially organized, are able to maintain an exclusive monopoly of these institutions. Any "outsider" who attempts to engage in illicit business is promptly arrested and dealt with to the full extent of the law. Why does the public remain indifferent? Surely the majority of the people of Omaha do not countenance such a condition. "There will always be a certain amount of vice in the city," they say. "It is better to have it held in check as it is today, even if that restraint comes from the underworld itself, than to have it run rampant and make the city more lawless than it is at present." They had one illustration of what could happen when the "ring" was "stepped upon." They want no more of that.

Mayor Dahlman is an old man now, seventy years of age. He is absent much of the time from his office because of illness. One wonders what changes will come when this unusual personage must step down and out.

The writer wishes to express his thanks to Dr. R. S. Boots, of the University of Pittsburgh, at whose suggestion and under whose direction this article has been prepared; to the librarian of *The Omaha World Herald* for the use of that newspaper's clipping files; and to numerous long-time residents of Omaha for valuable data and comments.

DUAL GOVERNMENT FOR METROPOLITAN REGIONS[1]

BY THOMAS H. REED

University of Michigan

Large cities are now the centers of wide metropolitan regions suffering from lack of a common government for their common needs. Outright annexation of suburban territory cannot be accomplished except by arbitrary action by the state legislature. A municipal government for the whole area organized on the borough plan promises to be the best solution. :: :: :: :: :: :: :: :: :: ::

There is no better way of approaching the problem of the government of metropolitan regions than from the experience of St. Louis. Fifty years ago the city of St. Louis was separated from the remainder of St. Louis county, and a consolidated city and county government erected within the city. This step was widely approved by municipal reformers. Its immediate effect was to reduce the cost of government within the city area through the compactness and simplicity of organization which the merging of city and county functions made possible. Numerous efforts were made to secure for other cities the obvious advantages which St. Louis, in this respect, enjoyed. That these efforts ended successfully in but one city, Denver, was due rather to the reluctance of county politicians to relinquish the perquisites of county office than to the existence of bona fide objections to the plan.

THE CHANGED ENVIRONMENT

And yet, there is grave reason to believe that St. Louis, with respect especially to its future development, would be better off today had it remained an integral part of St. Louis county with a predominant share in the determination of the policies of the county government. Truly the last half century has wrought a remarkable change in the relation of the city to its surrounding area. Fifty years ago there was a clear divergence of interest between the urban and rural portions of the then St. Louis county. They had some common problems but these were no more pressing than those which existed between any two contiguous counties in the state. The produce of the rural market gardens was sold in the city and the city stores in turn sold clothing and furniture to the country people. Such a relationship, however, called for no common local government. When the city and county were separated, their relations were sufficiently cared for by the fact that they both remained parts of the state of Missouri.

Fifty years ago the only means of rapid long distance transportation was the steam railroad. Along the steam railway lines leading out of St. Louis suburban communities had already sprung up, whose interests were more nearly connected with the great city than were those of the county at large. These communities, however, were small in size, few in number and separated from one another and St. Louis by considerable distances. The bulk of St. Louis population went from their homes to their work places on horse cars or on foot. The inconvenience of distant dwelling places caused the city to grow with relative steadiness from its center, new streets and rows of houses being added near the edge of the area already built up. Although the transition from city to country was not so abrupt as in the case of many European cities because of our predisposition to separated single family dwellings, the one was distinct from the other and promised to remain so. It was, certainly, reasonable to suppose that such adjustments as the peripheral expansion of the city required could be made by piece-meal annexations.

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[1] A paper read at the Thirty-second Annual Meeting of the National Municipal League at St. Louis.

This situation has been revolutionized by improved means of transportation. First, the electric tramways projected into hitherto unbuilt areas, or, supplementing existing steam railway service, with their low rates of fare made suburban residence possible for the masses. Then came the automobile, the paved highway and more and cheaper automobiles until today every one is on wheels. Thus aided, the city has spilled its population far and wide over the county. The city no longer grows like a tree in a succession of concentric rings but like a forest whose seeds, scattered by the wind, bring forth fresh groves in every favored spot. Here and there, with gaps of open country between, but at intervals frequent enough to determine the character of the whole area, are rapidly growing groups of population who are to all intents and purposes, city people. Industries, forced beyond the city limits by high property values, gather their work-people indiscriminately from the city and its suburbs. For it is no longer anything for a worker mounted in a certain sturdy but low-priced car to go ten or even twenty miles to his place of employment.

In these respects St. Louis differs from other metropolitan centers only in degree. Every word applied here to her conditions is just as applicable to Detroit or Pittsburgh. The problems created by this new principle of city growth are also everywhere much the same. Outside the city in unincorporated territory have sprung up resorts which pander to vice without the restraints of a vigorous police administration and about which congregate the bootlegger, the gambler and the pimp. In the shady and unlighted thoroughfares beyond the city boundary lurk the footpad and the auto bandit. In suburban communities without sewers or adequate health service, pestilence is bred which respects limits of municipal corporations no more than thieves discriminate between city and county citizens. Beyond the city, streets are laid out and other works and utilities erected hit or miss without regard to principles of sound general development. Great public necessities like water supply and sewers are held in abeyance because minor local authorities cannot agree on common action and lack the financial resources to carry through such works on their own account. These are a few of the problems which face metropolitan St. Louis and every other unorganized metropolis.

RECENT ST. LOUIS EFFORT SHOWS FUTILITY OF ANNEXATION METHOD

In attempting to solve this problem, as of 1926, St. Louis has just had an experience, not unique, but enlightening. Pursuant to an amendment to the state constitution adopted the previous year, there was created in the early summer of 1925, a board of eighteen freeholders, nine from the city and nine from the country, to do one of three things:

1. To absorb the governments of St. Louis county in that of St. Louis city.

2. To put the city back into the county with a reorganization and consolidation of their respective functions.

3. To annex to the city a portion of the territory of the county.

The freeholders were thus greatly limited in their discretion as to the means by which consolidation was to be effected. After deadlocking to within thirty-two hours of the year allowed them to do the work, one county member consented to join with the nine city members for the purpose of submitting to the voters a form of the first alternative. If adopted, this proposal would have entirely merged the governments of the city, the county and all the subdivisions of the county into a single centralized city-county government. The only concession to the wide diversity of the territory sought to be included was a provision for a differential in taxation in favor of agricultural property. The proposal, however, met with bitter opposition in the county. This opposition was particularly strong in some of the suburban cities which had for some time enjoyed a vigorous, independent life. It was, as might have been expected, opposed by all the political elements in the county, but the opposition was by no means confined to this interested element. The opposition was much stronger than opposition to the separation of fifty years ago. The same spirit which animates the Allegheny County League of Boroughs and Townships, which led Berkeley, Alameda and other East Bay cities to reject consolidation with Oakland, and which keeps Highland Park out of Detroit and Brookline out of Boston, was rampant in the county of St. Louis. On October 26, 1926, the proposed consolidation scheme was decisively rejected by the voters of the county.

St. Louis' experience, therefore, suggests these conclusions, otherwise confirmed by general observation.

1. City and county separation is a useful expedient only where metropolitan conditions do not exist.

2. Pure and simple annexation on a large scale, as a means of solving the problem of metropolitan government, is sure to arouse the opposition of the suburban area.

There have been but two great municipal consolidations in the last thirty years, those of New York and Berlin. Each was an example of the arbitrary exercise of legislative power without reference to the wishes of the outlying communities consolidated. In each case some considerable recognition was given to the existence of special local interests in the various sections of the area of the greater city. New York preserved the identity of constituent communities, or groups of such communities, in its boroughs, made each borough a local center of administration and represented them as boroughs on the real governing body of the city, the Board of Estimate and Apportionment. Greater Berlin is divided into administrative districts, *Verwaltungsbezirke*, each with large administrative and a modicum of legislative power. Even these concessions to local sentiment would not have been sufficient to secure agreement to the consolidation on the part of the communities affected. St. Louis proposed no such concessions although the area covered by the proposed city and county is nearly twice that of Greater New York and more than half again that of Greater Berlin. If annexation be the solution of the metropolitan problem, it must be sought by way of the sovereign power of the state regardless of local sentiment and the principle of home rule.

But there is strong ground for believing that pure and simple annexation as proposed for St. Louis is not the ideal formula for the solution of the metropolitan problem. The mere fact that no true metropolitan problem has ever been solved by pure and simple annexation is very suggestive. Chicago and Los Angeles acquired most of their vast areas in advance of the development of metropolitan conditions. The boundaries of the present administrative county of London were fixed at the time of the creation of the Metropolitan Board of Works in 1855. The preëxisting units were left untouched and the board itself was made up of representatives selected by their authorities. Paris was enlarged to its present size in 1859 by pure and simple annexation of the communes lying between what was then the boundary of the city and the recently erected fortifications. These communes, however, presented a continuous development from the old city of Paris and presented few of the phenomena of modern metropolitanism. The more recent enlargements of New York and Berlin have already been referred to. These instances present the total of attempts, other than purely abortive ones, to solve the metropolitan problem by annexation.

AD HOC COMMISSIONS INADEQUATE

In fact there have been actually employed but three methods of meeting the metropolitan problem:

First, and most commonly, authorities created *ad hoc* to deal with particular services essential to the metropolis.

Second, and very rarely, similar special authorities entrusted, however, with the care of several services.

Third, and also very rarely, the creation of super-cities in the organization of which some concession is made to local spirit by the creation of municipal divisions endowed with subordinate powers.

It would be extremely tedious to rehearse in this paper the experience of every community which has made use of one or the other of these methods. I may be pardoned, therefore, if I abbreviate the logical process and sum up my evidence without presenting it in detail.

The evidence of metropolitan experience in Europe and America may safely be said, I think, to support these conclusions:

1. *The creation of commissions "ad hoc" is at best a makeshift and falls far short of giving that coherent direction of metropolitan growth which is essential to sound development.* It is in Greater London, an area six times greater than that of the administrative county that the greatest reliance has been placed on *ad hoc* authorities. The Metropolitan Police District, the Metropolitan Water Board, the Thames and Lea Conservancy Boards, the Port of London Authority are the most important of them. It must be remembered too that the County Council cares for the main drainage of a considerable area outside its boundaries and that the Corporation of the City of London is the Port Sanitary Authority. The more imperious needs of Greater London are thus cared for after a fashion, but no one is satisfied with the situation except perhaps some of the larger boroughs and county boroughs within the area. The Royal Commission on London Government of 1923 conducted exhaustive hearings and collected an imposing body of criticism of the existing situation. There was, however, little or no agreement as to the remedy to be applied, so little, in fact, that the commission's work led to

no important concrete result. But the evils of a network of unharmonized authorities are spread *in extenso* over six volumes of evidence if you care to read them. The *banlieu* of Paris now rejoices in four intercommunal syndicates relating respectively to gas, water, electricity and the conduct of that part of funeral services which takes place outside the church—in France a communal monopoly. This last, which is of relatively small importance, dates from 1905 and today includes 46 of the 79 communes of the department of the Seine. Of the three significant syndicates, that of gas was founded in 1903. It includes 65 communes of the department of the Seine and 13 in Seine et Oise. The remaining two are very youthful, that for water having been created in 1923 and that for electricity in 1924. The water syndicate is the largest of all, embracing 134 communes in the departments of the Seine and Seine et Oise and four more in that of Seine et Marne. The electricity syndicate is made up of 62 communes all in the department of the Seine. None of these syndicates has gone further than to bargain collectively on behalf of the member communes with contractors who supply the service in relation to which the syndicate was created. Except for the activities of the department of the Seine in the matters of sewage, transportation, housing, etc., they constitute the only effort at coördination in the jumble of little communes which cluster round the "walls" of Paris. They represent, without doubt, a great advance over the almost total neglect of intercommunal interests which recently prevailed. There is no one, however, who contends that the problem of the *banlieu* can be solved by the multiplication of intercommunal syndicates.

It is obvious that if the needs of a metropolitan region are to be satisfied completely, it must be by some authority with jurisdiction broad enough to cover them all. In no other way can balance and coördination be secured. This requirement is at least partially answered by grouping several metropolitan functions under a single metropolitan commission. There is but one example of such a commission operating in a genuinely metropolitan area—the Massachusetts Metropolitan Commission. This body now has jurisdiction over the water supply of Boston and many adjacent cities and towns, the main drainage system of a similar but not identical group of towns, a remarkably extensive system of metropolitan parks, and metropolitan planning. It is not, properly speaking, however, a device of local government. Its members are appointed by the governor and it is really an agency of the state for the purpose of meeting certain needs common to several cities and towns. Its activities are in direct defiance of the principle of local self-government. In other words, the necessities of Metropolitan Boston are treated as a state affair. This fact is further emphasized by the recent creation of a special state commission to acquire the rights and construct the necessary works for an additional water supply for the metropolitan district.

A COMMON MUNICIPAL AUTHORITY NEEDED

2. *A strong municipal authority possessed of adequate powers and organized for the whole metropolis is the only permanently satisfactory provision for the satisfaction of metropolitan needs. Ad hoc* commissions are temporary makeshifts. If, on the other hand, powers, such as those of the Massachusetts Metropolitan Commission, were vested in a locally elected body, the district would *ipso facto* become a sort of super-

municipality. The area of the district, by whatever name called, be it county or region, would then constitute a new unit of local government which would be, within the scope of its specified powers, superior to the municipal units within it.

Direct state administration of regional needs may, as is the case in Massachusetts, produce admirable physical results and even give satisfaction to the public of the region. The principle of "local self-government," however, is more than a mere tenet of "political fundamentalism." If it be once granted that a region is a community, with interests affecting it as a whole which are distinct from the interests of the remainder of the state, there immediately arises a strong presumption in favor of allowing it to deal with these interests in its own way. If, as I shall endeavor to show, the region is but one unit in a new scheme of local government organization, this presumption becomes stronger. There is no way to self-government but by the practice of self-government. We cannot well have self-governing states without self-governing local communities. Hence our conclusion that there must be a self-governing municipal authority for the whole region.

This conclusion is supported by experience. The governments of Greater New York and of the Administrative County of London do not cover the whole of the respective metropolitan areas of New York and London. They do in each case, however, cover a considerable part of it and they were each formed by the union of numerous smaller units. Greater Berlin was organized in 1920 on a basis broad enough to include substantially the whole existing metropolitan area. There can be no doubt that the London County Council and the government of the city of New York, with none of their sins forgotten, actually provide in some measure for the orderly development of the area under their jurisdiction. The central authorities of *Gros Berlin* have in a few years' time rectified the worst of the abuses which characterized the old régime of suburban independence. The populous poor quarters are now getting the schools and the other services the rich districts alone enjoyed five years ago, and no one is found to complain except the officials of the old units now transferred to the service of the Administrative Districts into which the city is divided. Their pride and sense of power has suffered. Official character does not vary much between Charlottenberg and St. Louis county. The frog and puddle complex is universal. The people of every section of Berlin, however, are satisfied.

The advantages of a municipal government for the whole region are to be found: first, in a comprehensive treatment of regional problems, second, in economy of overhead, third, in the more definite fixation of responsibility. Numerous authorities operating in the same area are usually short in power and long in expense. In the complexity of their relations, the voter is lost and even our usual approximation of democratic control becomes difficult.

THE BOROUGH PLAN

3. *All such gigantic municipalities must be subdivided into boroughs or districts corresponding as nearly as may be with the preëxisting municipal units or suburbs of the present city.* The witnesses before the Royal Commission on London Government were unanimous in agreeing that "dualism" is absolutely essential in the government of so vast a municipal entity. There are three main reasons for it:

1. The diversity of the various portions of the metropolis requires *flexibility* in its governmental system.

Within such an area there are many questions which are purely local to its various divisions. These require, if they are to be answered to the best satisfaction of the people of the division, a divisional legislature or council.

2. The size of such a metropolis requires the establishment of local centers of administration. The people of a city of fifty thousand can, without hardship, betake themselves to a central city hall every time they have business with the city government. But in a Greater New York, Berlin, London, or even a Greater St. Louis, this would mean vast loss of time to the public, not to speak of the congestion in the city hall itself. If all the inspectors of every department must start from a central office each morning, half their time might easily be spent going to or coming from their jobs. Offices must be conveniently disposed for each of the more active departments in the several quarters of the city. Even centralized and concentrated Paris, much the smallest of modern great cities (19,279 acres), has its twenty arrondissements each with its *mairie* to which the young couples come for the ceremony of civil marriage, strangers to secure their *cartes d' identite*, property owners to file claims and declarations relative to direct taxes, the poor to make applications for relief. Here also births and deaths are recorded, the register of voters prepared, and those liable to military service enrolled. Although the boroughs of New York are not self-governing units, the borough hall is a true center of administrative activity. The *Verwaltungsbezirke* of Berlin possesses only a shadow of legislative power but they present an elaborate mechanism for the localization and popularization of city administration.

3. Except by the exercise of superior state authority, it is impossible to create metropolitan governments with wide powers unless ample concession be made to the sentiment of the communities united in the metropolis. We might discount the "bread and butter" talk of the office-holders and politicians affected, but with their bleatings tuned out there is a deafening chorus of opposition from the people of each established community proposed to be merged in a neighboring great city. To submit a proposition of pure and simple annexation to popular vote in the district to be annexed is to court almost inevitable defeat. Only very poor municipalities or bits of unorganized territory are ready to consider annexation. The alternatives left are state action or some kind of borough system.

The number and size of boroughs and the distribution of power between borough and metropolitan governments must necessarily vary from region to region. There are, however, some general considerations which must everywhere be borne in mind. There are sound reasons for the deconcentration of administrative functions. With regard to policy determination the case is not so simple. "Dualism" in metropolitan government does not of itself make for either economy or efficiency. It means more overhead expense than is required for a centralized city government. The experience of London, whose boroughs have more substantial power than those of any other great city, is peculiarly illuminating as to some of the difficulties which lie in the way of distributing powers between the central and divisional governments of a metropolis. The most significant of these difficulties are financial. Some London boroughs are rich and some poor. In general the poor boroughs are the most populous with correspondingly greater necessities in the way of sanitary inspection, street cleaning, poor relief, etc. Westminster, for example, with a ratable value of £8,326,-

120 has *141,578* inhabitants while Poplar with *162,578* inhabitants has a ratable value of *£942,936*. This means that Westminster has a low tax rate and Poplar a high tax rate, although the people of Westminster are much better able to pay high taxes than those of Poplar. In the effort to equalize somewhat the tax burdens of the boroughs, London finance has been involved into a state of complication which almost defies description, and with far short of satisfactory results. It would seem that to secure fair play there must be some form of central control of metropolitan finance. We may not have to go so far in this direction as has been done in the case of *Gros Berlin.* The council of each administrative district submits to the *magistrat* of the greater city, estimates of the needs of "those municipal arrangements and institutions which are intended primarily to secure the interests of the administrative districts." The *magistrat*, however, makes such use as it pleases of the data so furnished in preparing the annual budget which it submits to the council of the greater city, and not only is the amount of money to be devoted to the "arrangements and institutions" of each district settled in this budget, but it is settled there in such great detail as to leave little or no latitude in its expenditure to the district authorities. The district officials believe they should be entrusted with lump sum appropriations, but the city government is obdurate. It is possible, nevertheless, to conceive of a system in which the chief objects—the major elements in the tax rate would be under the control of the government of the metropolis while each borough would be left free to supplement the services thus provided with such borough luxuries as it thought it could afford. The actual distribution of powers in any metropolis must depend on the circumstances of that metropolis.

The borough, however, is not to be regarded as a necessary evil to be minimized to the greatest possible extent. There are sound reasons for perpetuating such small units of government as attach to themselves the loyalty of their people. Democracy as an institution depends for its success on the active interest of the people in government. On the whole that interest is declining before the competition of other calls—of business or pleasure—which the complex life of today thrusts upon us. Every influence, therefore, which promotes interest in government deserves encouragement. Every natural loyalty to places and institutions should be encouraged. For this reason the divisions of the metropolis should correspond as nearly as may be with the existing or natural divisions of the area. It is ordinarily desirable to combine small neighboring communities so that the boroughs need not be too diverse in size and financial ability. The greater, however, the concentration of financial *power* in the metropolitan government, the less important becomes equality of financial *ability* in the boroughs.

ABOLISH THE TOWNSHIP

One more aspect of the new local government relationships brought about by the growth of metropolitan regions must be considered before we can realize the full import of regional government. The phenomena of regionalism are not confined to great centers of population. The people of even small cities are now often scattered over miles of surrounding territory. The delights of country life and the advantages of cheap lands for industrial establishments have, there too, been made available by the omnipresent automobile. At the same time the township, that artificial, quadrilateral namesake of a free Germanic institution, has become totally incapable of fulfilling the functions demanded of a rural local government. Good roads and other services cost too much for its limited financial ability and in all the territory west of the Alleghenies, it is passing just as the New England town and the old English parish are dying of progressive inanition. The county is now clearly the smallest possible unit of rural local government. Indeed, with good roads and automobiles the county is an area of less effective distances than the township was fifty years ago. The region, whether it centers upon a great city or a small city, or covers a rural area of common interest has been produced by the same transportational revolution which abolished the township. Why not be honest and recognize it? Our units of local government which developed during centuries of oxcart transportation, need recasting. Two major units below the state are not too many. As we slough off the township at the bottom, we may without unreasonable disturbance add the "region" at the top. Regional government embracing counties, cities and villages, and caring for the more general and more costly services, the way is open for making the larger cities counties, by themselves. To do so under existing circumstances is to unduly impoverish the rural part of the county. They are making no more county boroughs in England and are talking—no more as yet—of regionalism. Into the new scheme the metropolitan government which has been the subject of this paper fits without crease or crevice.

In closing let me say that I am no stickler for terminology. St. Louis county is in effect a region, as is Allegheny county, Pennsylvania. It is easier to deal with established units than to create new ones. The public are already accustomed to the idea that city or county government may be reformed. It would be folly, therefore, when reasonably satisfactory units lie ready at hand to hunt trouble by trying for scientific perfection in the delimitation of the region. I am sure I am expressing the hearty wish of every visiting delegate to this Convention when I say, "May you soon establish for St. Louis county a regional government of general powers adequate to regional needs." And, if, in the fulfillment of this aspiration, you find it necessary to concede something to the patriotism of suburban communities, you may comfort yourselves with the knowledge that world-wide experience supports the necessity for such concessions.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Initiative and Referendum—Necessity of Strict Compliance with Statute.—In *Carrier* v. *Board of Registrars* of Fitchburg, 153 N. E. 564, the Supreme Judicial Court of Massachusetts dismissed a petition for a writ of mandamus to compel the defendants to examine and certify an alleged referendum petition to submit a resolution of the common council to the electors. The charter provision required that such petition must be presented to the council "within twenty days after the final passage of any measure by the city council," and also that it shall be filed within the same time with the city clerk, the registrars of votes being required to submit their certificate of compliance with the statute within five days thereafter. The petition in the instant case seems to have been submitted to the council and to the city clerk on the twentieth day after the resolution passed the council and the eleventh day after its approval by the mayor.

The court, finding the statutory provisions mandatory, held that the twenty-day limit begins to run not from the date of approval by the mayor, but from the time the council acts, that the five days allowed for examination by the registrars is included in the twenty days and that in the instant case the registrars not having sufficient time within the limit allotted to examine the petition were justified in refusing to act. Accepting the construction of the court, it can be seen that the opponents of the resolution were left with less than six days after the approval by the mayor to prepare their petition and get the requisite number of signatures, a period palpably inadequate to make an effective appeal to the voters.

This decision illustrates how difficult it is to frame a practical referendum statute, which will stand the test of strict construction. The courts of several of our western states have met this difficulty by more liberal rules of construction of the statutes prescribing the methods of popular action in exercising the powers of initiative, referendum and recall, as indicated by such cases as *Kiernan* v. *Portland*, 57 Ore. 454, *State* v. *Houston*, 94 Neb. 445, and the recent case of *Magoon* v. *Heath*, 250 Pac. 583 (Cal. Dist. Court of Appeals, Bov. 1926), in which it was held that the court could not look beyond the certificate of the clerk, even though the fact was apparent that less than the required number of voters had signed the petition.

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Home Rule—Limitations upon Local Powers.—In *Association of Master Bakers* v. *Milwaukee*, 210 N. W. 707, decided by the Supreme Court of Wisconsin, November nine, 1926, the court denied the power of the city to regulate bakeries by requiring them to take out licenses. While ordinarily such power would be implied from the express power to regulate, the statutory provision requiring all owners of bakeries in cities of over five thousand inhabitants to take out a state license negatives the implication of a like power in the city.

The limitations upon the home-rule powers of cities by state legislation covering certain fields is further illustrated by the recent decision of the New York Court of Appeals in *McCabe* v. *Board of Elections of New York City*, 153 N. E. 449, in which a local law of the city attempting to limit the power of the city officers to authorize an alteration of the terms of existing street railway franchises without the approval of the electors, was held void, upon the ground, among others, that its provisions would conflict with the powers given by statute to the state public utilities commission.

In *Coyne* v. *State*, 153 N. E. 876, the Court of Appeals for Cuyaboga County, Ohio, held that under the constitutional power of cities to adopt their own charters, no city could grant to itself power to establish a municipal court. The petitioner had been convicted of larceny by the municipal court of Cleveland Heights, which the city had attempted to establish under its charter-making powers. This case follows the decision of the supreme court in *State* v. *Hutsinpiller*, 112 O. St. 468, to the effect that constitutional description of inferior courts "as may be created by law from time to time" vests the exclusive power to create such courts in the legislature of the state.

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School Districts—Extent of Power.—In *Security National Bank* v. *Bagley*, 210 N. W. 947, decided by the Supreme Court of Iowa, November 23, the petitioner sought to enjoin the school board of Mason City from installing a private copyrighted system of teaching thrift in the public schools. The board had authorized the system to be established without expense to the district, and its promoters had made a contract with a rival bank to act as depository of the funds collected. The court held that in addition to the subjects prescribed by statute to be taught in the public schools a large discretion is vested in the boards of education to adopt other courses, a discretion with the exercise of which the courts should not interfere. As the patronage of the pupils is entirely optional, the authorization of the use of the system in the schools is held to be a valid exercise of the power conferred. The propriety or expediency of committing the discharge of its duties to private individuals may well be questioned, but the court held that such questions are exclusively within the discretion of the board.

In *Stowell* v. *Prentiss*, 154 N. E. 120, the Supreme Court of Illinois holds that a school district cannot act as a trustee of a charitable trust not germane to the purpose of its incorporation. This case involved the conveyance of a spring to the district for the use of the public in general. The statute under which the district was organized empowered it to receive gifts of real property for the use of schools or libraries or other school purposes within their jurisdiction. The decision, denying a municipal corporation any implied capacity to administer a trust established for other than purposes of its incorporation, is in accord with the uniform rule.

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Construction of State Highways by Special Assessment—Coastal Highway Act of South Carolina Upheld.—In *Evans* v. *Beattie* (135 S. E. 538) the Supreme Court of South Carolina upheld the validity of the act of 1926, creating several counties a special highway district, directed to issue bonds for the construction of the coastal highway within their limits, to be paid in part by their proportion of the state gasoline tax, the balance to be collected by a general tax upon the property within the designated counties. This act was passed at the 1926 session of the legislature in response to a demand of the counties interested, who were unwilling to take advantage of the general statute known as the "pay-as-you-go" act, which authorized the construction of such highways as money was available from time to time.

In sustaining the statute, the court construes it as in effect creating a special assessment district, and imposing a tax by act of the state based upon special benefits and not in contravention of either the state or federal constitution (*Houck* v. *Little River Drainage District*, 239 U. S. 254). Hence it follows that the bonds authorized are not subject to the constitutional limitation upon the indebtedness of the constituent counties, that the assessment to be levied is not a general tax for public purposes and therefore its levy and collection by the designated officers are ministerial acts. The court thus adopts the rule that the legislature, when not restricted by the state constitution, may create a special tax district, fix the basis of tax or assessment, declare that the improvements authorized are for the benefit of property owners, and thus in the absence of facts showing such an abuse of power as to result in confiscation of particular property preclude any inquiry into the question of due process on the part of the owners of property affected. That no right under the federal constitution is violated is declared in a long line of decisions of the supreme court, which are reviewed and affirmed in *Kansas City Southern Ry. Co.* v. *Road Improvement District*, 266 U. S. 379. It is to be observed that the courts of many states do not sustain this extreme exercise of the power of taxation, but hold that the legislative power to impose special assessments directly or indirectly is subject to an inquiry as to benefits with due notice to the property owner and an opportunity to be heard.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Public Utility Consultant, New York City

THE PROBLEM OF EFFECTIVE PUBLIC UTILITY REGULATION

At the meeting of the American Economic Association at St. Louis, Missouri, December 28th–31st, there were two special conferences which have importance to persons interested in proper standards of public utility regulation: (1) Present-Day Corporation Problems, and (2) The Problem of Effective Public Utility Regulation. It seems desirable to present for this Department a survey of the more important points made by the leading speakers.

THE HOLDING COMPANY PROBLEM

The conference on Present-Day Labor Problems centered largely upon the "holding company," especially its development in the field of electric light and power. Practically every speaker admitted the economic service of the holding company as a device for large scale organization, and no one favored its abolition or serious interference with its development. But there was substantial agreement that its rapid extension has brought dangers which require study for proper control.

Dr. W. F. Gephart, of St. Louis, economist and banker, in the leading paper of the session flatly recommended federal incorporation with the object of facilitating federal control over all such activities as require public regulation. This view was supported by most of the other speakers. Professor Ruggles, of Ohio State University, and the writer brought out the point that federal regulation will prove unavoidable not only for the protection of the investors but to prevent evasion in rate regulation. The "holding companies" furnish capital and various services used in operation, but under present conditions, as interstate agencies escape the force of state regulation.

WHAT IS THE PROPER RATE BASE?

The second conference was organized and conducted by the writer. The subject matter centered around the problem of rate-making which has received repeated consideration in the Review and especially in this Department,—and will require re-discussion until the public understands the problem and until sound and workable principles have been adopted.

The specific problem considered was "the rate base" which is best suited to an effective and financially sound system of regulation. As chairman, the writer briefly outlined the scope of the discussion which was to consider the usability of "present value" as established by the courts, compared with outright "reproduction cost" and "actual investment."

ACTUAL INVESTMENT PROPOSED

The task of rate-making has been practically unmanageable in the face of the large number of companies, the varying circumstances, and the shifting conditions of prices and other factors affecting the cost of service. Because of this general situation, the writer proposed that a definite rate base be adopted which will eliminate all disputes between the public and the companies, and at the same time provide for complete financial stability of the industries and the service to the public. To this end, he proposed the actual investment in the properties, which under proper accounting control would be a definite sum shown by the accounts and would thus furnish the commissions a constantly fixed measure of the return to which the company is entitled.

To adopt such a definite rate base would require positive legislation, which would provide directly for the desired rate-making policy and the necessary machinery for rate adjustments. In order to avoid probably successful opposition in the courts on the ground of confiscation, the writer proposed a differentiation between the investment in the existing properties and subsequent investment after appropriate legislation has been enacted. For the existing properties an initial valuation would settle, once for all, the amount in such properties for a future rate base. This amount would be taken upon the books and would remain unchanged except as additional investments are made.

INITIAL VALUATION NEEDED

Such an initial valuation would naturally involve compromise, and in many instances would require special adjustments for particular conditions affecting a company. It should, however, be based upon such a general rule of valuation which would reach the maximum of satisfactory results in all cases and would necessitate the minimum of adjustments in special circumstances. The rule suggested is the original cost of the properties used at the time of the valuation, less depreciation. This amount would represent the net remaining monetary investment in the properties; it would then be divided between investment made by bondholders and preferred stockholders, and investment made by common stockholders. The first would be left unchanged, while the contributions by the common stockholders would be increased in proportion to present higher prices compared with the level when the shares were issued. This adjustment would provide for the common stockholders roughly the same purchasing power of the return which they received at the time of the original issue, but it would allow no greater monetary return on the bonds and preferred stock investment, because in any event such security holders are limited by contract to fixed returns specified by their holdings.[1]

After such an initial valuation, with any desirable special adjustments, only actual additional investments would be added, and the entire amount would be maintained systematically through charges to operating expenses for maintenance and depreciation. This would place rate-making upon a definite basis.

POSSIBLE ECONOMIC DANGERS

This proposal, as briefly outlined for the conference, was first discussed by Professor Harry G. Brown, of the University of Missouri. Dr. Brown sharply disagreed with the entire underlying philosophy of the suggestion. His idea is that rate-making for public utilities, which are essentially monopolies, should be so arranged as to assure the public the same level of rates as would prevail if the service were rendered under competitive conditions. Unless this fundamental standard is followed, Brown argues, there would be dislocation of economic effort with the result of waste for the public at large. In competitive industry, if there has been a change in price level, the owners base their prices for the product upon the new level of costs, including a return upon the higher or lower reproduction cost of the properties. The same principle, he argues, should be followed in the utilities if proper regard is to be paid to underlying economic forces.[2] If rates are based upon reproduction cost the owners of the utilities would be compensated upon the same basis as owners in the other industries, and the consumers would pay for service on the same level as in competitive business. But if the actual investment basis were used, and if a great change in price level has taken place, there would be an inevitable dislocation of economic effort; an over-stimulated or retarded demand for service; and over-development or under-development of the properties; discrimination between industries and localities; all of which is waste in the aggregate for the public.

SUCH DANGERS NOT IMPORTANT

Professor Robert L. Hale, of Columbia University, expressed himself in substantial agreement with the proposed plan of a fixed rate base, and thought that Dr. Brown disregarded certain fundamental conditions in his support of reproduction cost. First, Brown seems to assume a general mobility of capital; that public utility capital may be readily shifted to other industries if the returns, after the investment has been made, are not readily adjusted according to changing prices or other conditions affecting competitive business. But the great bulk of the utility investments are truly *fixed capital* and cannot be shifted whatever changes in return may be obtained in other business. This is true especially of railroad land to which Brown devoted special attention, but applies also to other railroad and utility properties. Another point disregarded by Brown is that the actual cost or profits due to changing conditions and not to the efforts of the owners, are not avoided even in competitive business, but the hazard is placed upon individual owners who may be greatly benefited or greatly injured. In the utilities, however, which are particularly affected by a public interest and which are monopolistic in character, all such costs or profits are properly spread over the community or public as a whole, and not left as a risk for the individual investors. The actual investment basis, therefore, in the last analysis is the best method of cost apportionment and risk distribution over the public at large.

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[1] The plan discussed is presented in detail in "Effective Regulation of Public Utilities," Bauer, 1925, Macmillan Company. Certain aspects have been presented in various articles in the economic and other technical journals.

[2] Dr. Brown's real basis is the cost of the most economical plant that can be constructed at prices prevailing at the time rates are fixed. But for practical purposes, he considers reproduction cost a satisfactory equivalent.

Professor Clarence E. McNeill, of the University of Nebraska, further considered the question of possible economic dislocation that might follow when prices have greatly risen above or fallen below the investment level of the rate base. He pointed out particularly that the demand for all utility services is peculiarly inelastic, changing but little with substantial variation in rates charged for service, and presented statistical analyses from the various utilities.

LOW COST OF CAPITAL ASSURED

Professor J. C. Bonbright, of Columbia University, devoted himself especially to the financial aspects of the proposal as compared with reproduction cost. He considered particularly the cost of capital to the public, and the safeguards to the investors. His conclusion was that there can be no doubt that the actual investment basis, with a systematic machinery for prompt rate adjustments, would obtain capital at substantially lower cost to the public than would be possible under the reproduction cost; the investors would have much greater safeguards and, therefore, would be willing to furnish the necessary funds at a lower rate of return paid by the companies and the public. Moreover, he concluded that on the basis of Brown's real proposal,—not reproduction cost of the particular properties but the present cost of the most economical plant that might be constructed,—financing would be utterly unmanageable; no bankers would be willing to underwrite the issuance of securities on such a basis of return allowed to the companies.

The final speaker under the formal discussion was Professor Martin G. Glaeser, of the University of Wisconsin. He aligned himself in general with the actual investment basis as against the reproduction cost, but expressed misgivings as to the desirability of fixing a rigid plan of limiting returns to the companies. He feared the effect upon the efficiency of operation if no allowance is made in the returns for efficiency.

WOULD EFFICIENCY SUFFER ?

The informal discussion was mostly, but not wholly, in agreement with the actual investment basis. Among some speakers, however, there was fear expressed as to the effect of fixed returns upon the efficiency of operation. A suggestion was made by Professor Ruggles that a grading might be made in the rate of return allowed to the companies according to the standards of efficiency.

In reply to Brown's point that falling prices would have the same effect of financial disorganization in competitive business as among utilities, pointed out that there are at least two great differences which would justify a difference in policy applied to the two situations. Assume a great fall in prices, and take shoes and electric light and power in a particular city. Some shoe producers have large bond issues outstanding and would suffer financial disorganization through the lower price level and reduced money returns. But other concerns have no bonds and would be in a position to increase production promptly to meet the changed conditions, so that the consumers would not face disorganization of production as a whole. But as to electric light and power, there is a monopoly and the company has a large bond issue; a receivership would impair the credit of the company and would result in disorganization of the service for many years. This is a general difference between utilities and competitive business, and warrants a difference in public policy; particularly since the machinery for such regulation is conveniently available for the utilities in practically all of the states, if only fairly simple changes are made in the rate base and rate-making machinery.

An important development was pointed out that the problem of the rate base has been shifted from more consideration of fairness to consumers, which has been mostly the ground of discussion heretofore, to the consideration of administrable methods, the financial and service stability of the industries, and the protection of the investors.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY GEORGE H. McCAFFREY

Cincinnati Bureau of Municipal Research.—At the request of City Manager Sherrill and the department chief, the Bureau has made a study of the Cincinnati police force. C. B. Smith of the National Institute for Public Administration was engaged as consultant to do the detailed work. His report has been completed and turned over to the city officials, who are now studying it as a preliminary to conferences with the Bureau. It deals chiefly with patrol and detective bureau work, personnel, and records. It is particularly interesting because of the detailed plan for redistricting and assignment of beats and for the new system of examinations for appointment.

In response to an official resolution of the civil service commission, the Bureau has started a classification and standardization study for about 3,000 employees covering almost all the classified employees in the municipal service, the university and the board of education other than the teaching staff. This study is to be made by the Bureau in close coöperation with the commission, and the city is to pay the fees of all consultants.

The Bureau is now at work on an administrative code by request of the city manager. The recently adopted charter included, on the recommendation of the Bureau, a section which required the council to prepare such a code within six months after the charter was adopted. The code is to set up the departmental division and bureau organization of the municipal administration for offices not covered in the charter. An interesting feature of the code will be its comparative rigidity since it can be amended only by a three-fourths vote of the council. This would mean at present seven out of nine votes.

The city government has accepted the Bureau's recommendation on payroll procedure and the Bureau is now assisting in the installation of a system which provides for the use of checks, for payment on the job and consolidations of paymaster's offices.

The preliminary pension report prepared by the Bureau is now being actively discussed by public officers and the press, and conferences are being held to determine how far the city can go within its financial limitations.

The Bureau is also preparing a report on the desirability of using a municipal journal as the method of handling municipal advertising.

*

San Francisco Bureau of Governmental Research.—As a result of the vote on charter amendments at the November election, San Francisco's bonded debt limit of 15 per cent, all but Exposition bonds included, has been modified to a 12 per cent limit with all water bond issues, past and future, exempted. According to a Bureau report, San Francisco now has $39,330,000 bonds outstanding within the new limit, $50,600,000 of exempted bonds outstanding, and a leeway for other than water purposes of $51,470,000. The election also authorized the purchase or lease of an airport site by the city outside the city limits. Among the charter amendments defeated were proposals to establish a hospitalization system for municipal public utility employees, civil service for teachers, and increasing the salaries of the mayor and the board of supervisors.

The exemption of water bond issues from the debt limit makes it possible for the city immediately to vote bonds sufficient to complete the Hetch Hetchy water project and to purchase the privately-owned city distributing system on which the city has an option. The Bureau is making a study of the financial operation of the distributing system as a municipal utility.

The board of supervisors has just completed lengthy hearings on sixteen applications for a franchise to bridge, or bridge and tube, San Francisco Bay, and the Bureau will shortly issue a report on the factors involved in a bay crossing as brought out at the hearings. Besides the proposals for construction and operation of the project as a private enterprise, the supervisors have under consideration the selection of a site by the city and the calling for bids for construction either by private or public financing; while another proposition has been launched for the state to construct the project as a unit of the state highway system to be paid for by tolls.

The Bureau is setting up complete monthly statements as to expenditure allowances and transfers of city budget accounts, and is compiling similar information on non-budget items and bond funds. The object is to bring about a better budget accounting procedure and to ward off over-expenditures and check the practice of budget account transfers. J. E. Donaldson, formerly of the Minneapolis Bureau of Municipal Research who recently joined the staff of the San Francisco Bureau, is undertaking the study.

George Althoen, Jr., who has been conducting the salary standardization studies of the Bureau, has resigned to take a position with a large motor car corporation.

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Bridgeport (Conn.) Chamber of Commerce.—Thomas L. Hinckley, who was associated with the Training School for Public Service in 1911 and 1912, and who was at one time director of the Milwaukee Citizens' Bureau, is now assistant secretary of the Bridgeport, Conn., Chamber of Commerce.

✣

Citizens' Research Institute of Canada.—The Institute has issued the first of the annual series, "Cost of Government in Canada, Story No. 1,—Municipal." This report gives figures for seventeen of the leading Canadian cities. Table I shows per capita assessment, taxes and debenture debt. Table II shows per capita municipal expenditure classified by main activities. The Cost of Government publications are in ever increasing demand from all over the Dominion, and a number of orders have been received from the United States. This series is, of course, of special interest to governmental officials and others engaged in the field of governmental administration.

Story No. 2, "Provincial," of the Cost of Government series is in course of preparation.

The first portion (Canadian cities) of the "Red Book," published annually by the Institute, is in course of preparation. The "Red Book" contains financial statistics of all Canadian provincial governments and all Canadian urban municipalities with over 400 population. From the "Red Book" can readily be obtained facts as to population, general debenture debt, annual value for taxation, taxes levied, tax levy unpaid, accumulated tax arrears, gross debenture debt, sinking funds, etc. The majority of the leading Canadian and a number of the American bond houses subscribe for the publication, as do the majority of the leading Canadian banks and insurance companies. As all figures contained in the "Red Book" are taken either from official reports of treasurer's signed statements, or both, to any firm dealing in Canadian bonds this publication is invaluable.

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Toronto Bureau of Municipal Research.—The Bureau suffered a great loss through the death of John Macdonald, who had been its president since its inception, thirteen years ago. He has been succeeded by Walter J. Barr, and F. Barry Hayes has been elected chairman of the council and finance committee.

Two bulletins were issued by the Bureau in December. The first one dealt with the work of the Toronto board of education, and the second dealt with penalties for non-voters and also outlines the two questions to be voted on by the citizens at the recent municipal elections.

It is interesting to note that the committee appointed by the city council in 1926 to suggest improvements in the form of Toronto's government included in the suggestions many of those made by the Bureau.

The bulletin giving the personnel of the city government, 1927, is now in course of preparation, also one dealing with the voting at the last election.

Published September, 1926

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A MODEL BOND LAW

Submitted by the
Committee on Municipal Borrowings
of the National Municipal League,
MR. CARL H. PFORZHEIMER, *Chairman*

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FOREWORD

The Committee on Municipal Borrowings was appointed several years ago to consider the subject of incurrence of indebtedness by municipalities and other political subdivisions of the state. The original membership of the committee prepared, in 1921, a tentative draft of a model bond law, which was never finally acted upon. In 1924, at the request of the Governmental Research Conference, the committee was re-convened and additional members named, to include the representation of all possible interested groups. Sessions of the committee were held in New York City and, through *ad interim* correspondence and special conferences, all the provisions of the proposed draft of a law regulating the incurrence of debt were agreed to.

The increase in the range and extent of municipal activities, which has been manifested during recent years, has resulted in added demands for financing public improvement projects through the issuance of long-term securities. It has seemed advisable, therefore, to indicate to public officials a desirable procedure in the incurrence of such debt. This need is augmented by the fact that today the practice is varied in the several states, and the extent of statutory regulation is sometimes very limited. Further, the tendency toward change of personnel in public offices charged with responsibility for the public funds requires that a uniform and standard procedure among states be suggested.

It may be added that, in following a standard procedure in the issuance of securities, substantial economies will be effected by many municipalities. The buyers of such securities will be reinforced by the knowledge that a thoroughgoing and sound procedure, both legal and financial, has been followed, which will assure that the municipalities obtain necessary loans at the most favorable rates of interest.

The committee is under a heavy obligation to Mr. C. E. Rightor and Mr. John S. Rae of the Detroit Bureau of Governmental Research, who served as efficient secretaries to the committee and cheerfully prepared the successive tentative drafts of the law in accordance with the instructions of the committee.

CARL H. PFORZHEIMER, *Chairman.*

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INTRODUCTION

Taxpayers and public officials throughout the United States are giving more and more attention to the subject of bond issues. For what purposes shall our cities, counties, school districts and other political units be authorized to borrow money; what shall be the term of the bonds; what types of bonds shall be issued; what provision shall be made for advertising, for sale and for retirement? These and other fundamental questions must be considered and answered by every municipality, and a sound and conservative procedure will mean a maximum of economy to the taxpayers.

Municipal credit, especially for smaller localities, is a coöperative accomplishment. Improvident and unsound municipal borrowing in one part of a state reacts upon the market for the bonds of all municipalities within the state. A state-wide bond law designed to bring all localities to standard practice cannot, therefore, be considered in any wise as a violation of reasonable home rule power.

At present, there is a wide diversity of practice in the issuance of municipal bonds, owing to the latitude afforded by the great majority of our states. It is true that a handful of states, during recent years, have enacted thoroughgoing laws regulating the issuance of such securities, and the experience with existing legislation has been freely availed of in drafting the Model Bond Law.

We believe that a majority of the states will profit from a general revision of their laws on the issuance of bonds. The statutes of some contain provisions, originally designed probably to protect the credit of the city, which place their municipalities at great and unfair disadvantages in the market. Such measures should be repealed, and sensible protections should be adopted.

In the long run, the municipalities will find that the cheapest and easiest way to contract loans is to follow the methods set forth in this Model Law. Its principal features may be set forth as follows:

PROVISIONS SUMMARIZED

1. Bonds may be issued to pay for permanent improvements, including improvements the ultimate cost of which is to be locally assessed against the property benefited. Bonds to meet current expenses are forbidden.

2. The term of the bonds shall not exceed the probable life of the property or improvement acquired. For the better administration of this provision, the committee recommends that a definite schedule of the estimated periods of usefulness of the several classes of improvements be inserted in the act. The committee would leave to each state the preparation of its own schedule. For the convenience of readers the estimated periods of life of various classes of improvements, found in the bond laws of Michigan, New Jersey, North Carolina and Ohio, are printed in the Appendix.

3. Bonds shall not be issued except upon authorization by a three-fifths vote of the governing body, and all bond ordinances shall be published at least twice in a paper of local circulation. In the absence of a general referendum law, the committee believes that the bond law should provide that 10 or 15 per cent of the voters be empowered to order a referendum on any bond ordinance within thirty days after adoption.

4. A complete statement of the debt condition of a municipality shall be included in the bond ordinance. Among other things, this statement must include a financial report of the municipal enterprises which are financially self-sustaining.

5. Only serial bonds shall be issued, but provision is made by which the so-called serial annuity plan may be followed. Under this latter arrangement it is possible to so arrange the maturities that the sum of principal and interest issued each year shall be the same throughout the life of the bonds.

A minority of the committee believe that large cities with sound financial traditions should still be empowered to issue sinking fund bonds. Their dissenting opinion is set forth in a footnote on page 140. The majority, however, feel that sinking fund bonds present no advantages over the serial method at all commensurate with the evils and dangers of sinking fund administration.

6. Municipalities are permitted to sell their bonds at less than par, but not less than 95 per cent of par. There is often a material market advantage in being able to sell a bond at less than par. The important thing is not whether the city receives par or better for its bonds. The fundamental consideration is the rate which the city pays for its loan. The requirement that bonds must be sold at not less than par serves no useful purpose and may prevent the city from securing the best market rate.

7. The Model Law prescribes that sufficient taxes must be levied or other revenues provided to pay the bonds at their maturity. The state, through its auditor, is given supervision over the debt of every local political unit, and no municipal bond may be issued until the auditor has certified that the law has been observed in every respect.

This law has been drafted with the hope that it might prove of some assistance to state legislatures having to cope with this important problem and desiring to promote uniformity in legislation, and consequent economy for the taxpayers. If this object is accomplished the work of the committee will have been justified.

A MODEL BOND LAW

Section 1. Entitlement of act.—This act may be cited as "The Municipal Indebtedness Act of ...."

Section 2. Definitions.—In this act, "municipality" means and includes any city, township, incorporated village, county, school district, or other political subdivision in this state now or hereafter incorporated; "governing body" means the board or body in which the general legislative powers of a municipality are vested; "clerk" means the person occupying the position of clerk of a municipality; "financial officer" means the chief financial officer of a municipality; "funding bonds" means bonds issued to pay or extend the time of payment of indebtedness heretofore incurred, not evidenced by bonds; "publication" includes posting as authorized by this act as substitute for publication in a newspaper; "bond ordinance" means an ordinance authorizing the issuance of bonds of a municipality, or in cases where ordinances are not enacted, a resolution or other proper proceeding.

Section 3. Construction of act.—If any portion of this act shall be declared unconstitutional, the remainder shall stand, and the portion declared unconstitutional shall be rescinded.

Section 4. Application.—This act shall apply to all municipalities.

Temporary Loans[1]

Section 5. Loans in anticipation of bond sales.—At any time after a bond ordinance has taken effect as provided hereinafter, a municipality may borrow money for the purposes for which bonds are to be issued, in anticipation of the receipt of the proceeds of the sale of the bonds, and within the maximum authorized amount of the bond issue. Such loans shall be due and payable not later than three years after the time of taking effect of the ordinance authorizing the bonds upon which they are predicated.[2] But the limits of the life of the bonds, as hereinafter prescribed, shall be constructed to include the term of such temporary loan.

Section 6. Issuance of notes for temporary loans.—All bonds or notes issued in anticipation of a bond sale shall be signed by the financial officer, and the seal of the municipality shall be affixed and attested by the clerk. They shall be submitted to and approved by the attorney for the municipality before they are issued, and his written approval endorsed on the bonds or notes.[1]

---

[1] It is considered that provisions for the financing for current purposes to meet appropriation expenditures should be incorporated in a separate act, preferably a budget act, thereby keeping the financing for current purposes distinct from the financing for capital purposes, and the instruments used named or classified distinctly so that outstanding obligations would not be confused.

In New Jersey, where this practice has been in use for nine years, it is found to work very satisfactorily. In this state, there is a uniform fiscal year concurrent with the calendar year. Taxes are paid in two installments, June 1 and December 1. The limitation for borrowing in anticipation of the day when taxes are due is 50 per cent of the amount to be raised by taxes. After June 1, municipalities and counties come into a new borrowing power, namely tax revenue notes, but only for the amount of the one-half of the taxes which were not collected. Tax anticipation notes are not permitted to stand after the close of the year or budget period. Indebtedness for current account running past the close of the budget period must be re-issued by tax revenue notes which cannot be in excess of the amount of delinquent taxes for that year and are identified "tax revenue notes 192—." Under this practice, inexperienced or new officials and the auditors can trace the outstanding indebtedness in a ready and definite way.

[2] It might be permitted municipalities to issue one-year notes, renewable for two years.

PERMANENT FINANCING

Section 7. Purposes of bond issues.—A municipality may issue its bonds for any one or more of the following purposes:

(a) To pay for any general public improvement or property which it may lawfully construct or acquire; provided that no bonds shall be issued to pay for current expenses.

(b) To pay for any improvement the cost of which is to be assessed wholly or in part against abutting or benefiting property.

(c) To fund or refund an indebtedness outstanding at the time this act takes effect, for which inadequate provision for payment has been made.

(d) For any other purpose for which it is authorized by law to raise money, except for current expenses.

Section 8. Statements in ordinances authorizing bond issue.—All bonds of a municipality shall be authorized by an ordinance passed by the affirmative vote of at least three-fifths of the members of the governing body. The ordinance shall state:

(a) In brief and general terms the purpose or purposes of the bond issue.

(b) The maximum amount of money to be raised by the issue, and, if for more than one purpose, the maximum amount of money for each purpose.[2]

(c) The maximum rate of interest the bonds shall bear.

(d) The maximum period within which they shall mature, which must not exceed the period hereinafter set forth.

(e) That except for bonds issued under Section 7 (b), a tax sufficient to pay the principal of bonds falling due in the year and the interest of the bonds shall be annually levied and collected whenever necessary.

(f) That a certified current statement of the debt of the municipality, prepared by the financial officer, is on file with the clerk showing:

1. The total gross outstanding debt, by purposes.

2. (a) The amount of sinking funds or other funds held for payment of any part of the gross debt, by purposes.

(b) The amount of existing gross debt incurred for any enterprise owned by the municipality which during the fiscal year immediately preceding the date of the statement was entirely self-sustaining, by purposes; such statement shall include a financial report of the enterprise for the past year.

3. The total net debt (being the excess of 1 over 2 [a]).

4. The assessed valuation of property subject to taxation by the municipality, for the last three years.

5. The percentage that the net

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[1] The committee wishes to call attention to the laxity with which municipalities in some instances have handled temporary loans, issuing bonds or notes without proper formality and without a record of the transaction. It is recommended that municipalities adopt a standard form for temporary loans, preferably upon financially controlled stationery, which will assure a permanent record of the indebtedness upon the city's books.

[2] It will be noted that Section 8 (b) provides that the maximum amount of money to be raised shall be stated, rather than the principal amount of bonds to be issued. This provision is made because it is impressed upon the committee that a municipality in fact buys money, which is a commodity varying in price from time to time, and permits the municipality to sell bonds at a discount as provided in Section 18.

debt bears to the average of the last three assessed valuations.

6. The difference between the total net debt and any existing legal limitations, by purposes.

7. The total of bonds authorized but not issued, by purposes.

8. The gross outstanding debt less the amount of sinking funds or other funds held for payment of any part of such gross debt of any district or other municipal corporation or subdivision, except a county, wholly or partly included within the bounds or limits of the municipality.

Section 9. Effective date of ordinance.—All bonding ordinances shall become effective thirty days after passage except in the case of funding and refunding bonds, and bonds issued in cases of emergency for the preservation of public peace, health, or safety, in which cases the ordinance shall take effect on its passage. All bonding ordinances except funding, refunding, and emergency bonds shall be subject to referendum as prescribed by law.[1]

Section 10. Time limits for actions against ordinance.—No right of action or defense founded upon the invalidity of the ordinance shall be asserted, nor shall the validity of the ordinance be open to question in any court upon any ground whatever, except in an action or proceeding commenced within thirty days after the adoption of the ordinance.

Section 11. Terms of bonds.—For determining Section 8 (d), the maximum period of issuance, bonds shall be issued for a period not to exceed the probable usefulness of the property or improvement for which the bonds are issued; but in no case shall bonds be issued for a longer period than forty years. The estimated period of usefulness shall be determined by a majority vote of the governing body of the municipality, and such determination shall be conclusive in any action or proceeding involving the validity of the bonds; provided that, in determining, for the purpose of this section, the probable period of the usefulness of an improvement on property, the governing body shall not deem said period to exceed the following periods for the following improvements and properties, respectively, viz.:[2]

(Schedule of Estimated Periods of Usefulness to be inserted here)——————

Bonds issued in anticipation of special assessments shall mature not later than two years from the time fixed for the payment of the several installments of the assessments from which the bonds are payable. Any municipality having notes or bonds outstanding at the passage of this act may extend the time of payment thereof by the issuance of refunding bonds, the amount which, however, shall not exceed the total of such outstanding notes or bonds less sinking funds available for payment thereof, and shall be payable as herein provided. The maturity of such refunding bonds shall be so fixed that the entire time elapsing from the issue of the original bonds to the final maturity of the refunding bonds shall not exceed the time allowed by this act for the maturity of bonds used for the purpose of the original issue; provided, that refunding bonds may be issued to mature over any period not exceeding ten years from the date this act takes effect, even though such maturity may exceed the limit hereinbefore fixed. When such bonds are not a general obligation of the city, the bonds shall so state upon their face.

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[1] In the absence of a general referendum law, it is suggested that, prior to the thirty days herein specified, by petition of, say, 10 or 15 per cent of the qualified voters, the ordinance should not become effective until an election was held thereon.

[2] At this point there should be inserted a definite schedule of the estimated periods of usefulness of the several classes of improvements to be acquired or constructed by a municipality. For purposes of illustration, the limitations set forth in certain states are presented as Appendix I.

Section 12. Publication of bond ordinances.—A bond ordinance shall be published in a paper of general circulation in the local municipality, not less than twice. A notice substantially in the following form (the blanks being first properly filled in), with the printed or written signature of the clerk appended thereto, shall be published with the ordinance:

> The foregoing ordinance was passed on the .... day of ...., 19..., was first published (or posted) on the .... day of 19.... Any process must be begun within thirty days after the first publication.

Section 13. The aggregate amount of money to be raised under a bond ordinance, the medium for payment of the bonds, the rate or rates of interest the bonds shall bear, and the times and place (or places),[1] within or without the state, of payment of the principal and interest of the bonds, shall be fixed by resolution of the governing body within the limitations prescribed by the ordinance. Such resolution shall be subject to amendment or repeal at any time prior to the sale of any bonds to be affected by such amendment or repeal. The bonds may be issued either all at one time or from time to time in blocks or installments, and different provisions may be made for different blocks or installments; provided, that the provision contained in Section 14 relative to maturities shall apply to each block or to the entire issue, in which case no bond shall be issued unless all bonds maturing prior thereto shall have been issued.

Section 14. Types of bonds and provision for payment.—No municipality shall borrow money or issue bonds or notes for the purposes herein specified except as provided in this act. The authorization of bonds by a municipality shall be deemed to be an appropriation of the maximum authorized amount of money to be raised for the purposes for which the bonds are to be issued. All bonds hereafter issued by any municipality shall mature in annual installments, and the first installment of principal shall fall due and be payable not later than two years after the date of issue; and the sum of the principal and interest due in any year after the first year shall not exceed the sum of the principal and interest due in any previous year by more than the denomination of a single bond issued.[2]

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[1] In the opinion of a minority of the members of the committee, provision should be made for payment at two places, locally and at a recognized financial center.

[2] It is the opinion of some members of the committee that this section should be broadened to permit large municipalities in which there is a tradition of efficient financial administration to issue also sinking fund bonds. The straight serials, which are made obligatory by this section, may not leave enough latitude for the most intelligent financing, especially in connection with extensive city planning improvements, rapid transit, and other large public utilities. Accumulated sinking funds may be used legitimately by a municipality to free itself from the control of the money market, for a time at least, during times of stringency without injuring its standing or crippling its capital program. Where properly managed, this is desirable. Our knowledge of well-administered sinking funds leads us to believe that they are perfectly safe, especially when under state supervision, and that such funds can be managed to earn as much as the interest on the bonds which they are to retire. We wish to point out also that a sinking fund bond is no more expensive to the taxpayers than any other type of bond, and that there are times and places where a term bond will sell at a better price than a serial

Section 15. Resolution.—Bonds of a municipality shall be signed by two or more officers of the municipality holding office at the time of such signing, one of which officers shall be the mayor or other chief executive officer, or other officials designated by resolution of the legislative body, and the corporate seal of such municipality shall be affixed to the bonds.

Interest coupons attached to the bonds shall bear a facsimile signature of the financial officer. The delivery of bonds so executed shall be valid notwithstanding any change in the officers or in the seal of the municipality occurring after the signing and sealing of the bonds.

Section 16. Registered or coupon bonds.—Bonds issued under this act may be issued either in registered or coupon form. If they are coupon bonds, they may be made registerable either as to

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bond. The cost to a municipality for any loan is governed by the rate paid for the average time the municipality has the use of the funds, rather than the type of security evidencing the loan; and it is obvious that any municipality should borrow money for the shortest possible time in order to minimize the interest charges. It has always been a tendency in the early stages of fiscal reform to make too many restrictions, and to write into law some fiscal policy which, though entirely sound for the time being, does not make adequate allowance for a changing future. This is hardly necessary in the case of the larger municipalities where we may expect a certain degree of intelligence in financial administration.

In any sinking fund it is absolutely essential to fix the rate of accumulation. Whatever the rate may be, it should be one which may be earned over a long period of years and, therefore, should be a conservative one, preferably 4 per cent or less. The experience of cities in the state may guide in determining a reasonable rate. Fixing the rate automatically fixes the amount of the annual contribution, which remains the same throughout the life of the bond, and which, at a fixed rate of earning, depends only on two other factors, namely, the amount of the issue and the life of the issue. Furthermore, the amount which should be in the sinking fund for a given bond issue at the close of any fiscal period may be readily determined as it is a fixed amount. Fixing the rate of sinking fund earnings, therefore, not only makes it possible to determine exactly what the condition of a sinking fund is at any time, but also simplifies the sinking fund accounting to a very marked degree.

The sinking funds, their establishment and conduct, really should be considered as an independent subject of legislation, for the subject is a very important one and there is considerable ground to be covered. Such matters as the determination of the amount of the annual contribution, provision for the inclusion of this amount in the tax levy, the payment of the contribution to the sinking fund, legal investments of sinking funds, etc., must necessarily be considered and provided for. In addition, attention should be given to the cancellation or retirement of bonds before they become due and the adjustment of the sinking fund contribution, either annually or periodically, due to earnings in excess of the standard of accumulation.

Then again the question of deficits will necessarily arise, and provision should be made for making up the deficits in addition to the required contribution for those issues which are not deficient. A minimum contribution for deficits should be required, such minimum being based preferably upon the assessed valuation of the taxing district. The minimum rate in New Jersey is fixed at one-fifth of a mill on such valuations.

There are other matters which might be considered in this connection, but those here mentioned are the main points which should be embodied in sinking fund legislation.

The committee believes that it will be of value to cities to have a statement of the comparative costs of a sinking fund bond, a serial bond, and an annuity bond (the latter being also known as the level tax plan). Accordingly, the following tables have been compiled for these three classes of bonds, upon the basis of a $1.00 issue for 20 years, at varying rates of interest and the sinking fund to earn varying rates, presented as Appendix II.

John A. Fairlie.
Luther Gulick.
John S. Rae.
C. E. Rightor.

principal only or as to both principal and interest. If they are registered bonds, they may be converted into coupon bonds. The governing body may also appoint a bank or trust company as registrar or transfer agent of the municipality and provide for the registration or transfer of bonds of the municipality by such registrar or transfer agent.

Section 17. Lost or destroyed bond.—When a bond has been lost or destroyed, a court of competent jurisdiction may order the issue of a new bond therefor on service of process upon the corporation and on reasonable notice by publication, and in any other way which the court may direct, to all persons interested, and upon satisfactory proof of such loss or destruction and upon the giving of a bond with sufficient surety to be approved by the court to protect the corporation or any person injured by the issue of the new bond from any liability or expense, which it or they may incur by reason of the original bond remaining outstanding. The court may also in its discretion order the payment of the corporation's reasonable costs and counsel fees. The issue of a new bond under an order of the court as provided in this section, shall not relieve the corporation from liability in damages to a person to whom the original bond has been or shall be transferred for value without notice of the proceedings or of the issuance of the new bond.

Section 18. Advertisement and sale.—All bonds of a municipality shall be sold by the governing body at not less than 95 per cent of par and accrued interest.[1] They shall be advertised and sold upon sealed proposals unless the sale be made to a sinking fund of the municipality. The trustees of the sinking fund shall not have the right to resell such bonds until the lapse of one year from the date of original purchase thereof. If no bids satisfactory to the governing body be received, the bonds may be sold at private sale, but no such private sale shall be made at a price less than the highest bid price which shall have been received, and if not so sold within thirty days must be again offered at public sale. Whenever bonds are to be sold pursuant to advertisement there shall be published, at least once in a newspaper having local circulation and in a recognized financial journal, a notice containing a description of the bonds to be sold, the manner and place of sale, and the time of sale, or time limit for the receipt of proposals which shall be not less than ten days after the first publication of the notice. The notice shall state that bidders must deposit with the financial officer before making their bids, or present with their bids, a certified check drawn to the order of the financial officer upon an incorporated bank or trust company, or a sum of money, for or in an amount equal to two per centum of the face amount of bonds bid for, to secure the municipality against any loss resulting from the failure of the bidder to comply with the terms of his bid. Proposals for bonds required to be advertised shall be opened in public and the bonds shall be awarded to the highest bidder complying with the terms of the sale, unless all bids are rejected. Any municipality shall have the right to reject all bids. The governing body may delegate its power to sell bonds to a committee thereof, or any two officers, one of whom shall be the financial officer, but every private sale of bonds shall be made or confirmed by the governing body.

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[1] In order to sell a bond carrying a rate of interest higher than the current value of money for long-term investment, a premium must be added to the price to reduce the net yield to such current value. As an inducement to the public to buy bonds at a premium, a net yield greater than the current rate of interest must be allowed. This net yield increases as the rate of interest on the bond increases over the current value of money.

Municipalities ordinarily issue bonds at a rate of interest expressed in quarters of one per cent, rather than the exact rate of interest of money at the time of the bond sale. If the value of long term money is 4.10 per cent, for example, a municipality may issue bonds carrying a rate of either 4.25 per cent or 4 per cent. In case of an issue at 4.25 per cent, the purchaser will pay a premium which brings the net yield to more than 4.10 per cent, and in case of an issue at 4 per cent, the purchaser receives a discount sufficient to bring the net yield to about 4.10 per cent.

Section 19. Application of proceeds of sale.—The proceeds of the sale of any bonds hereinafter issued, including the premium, shall be used for the purposes specified in the ordinance authorizing said bonds; provided, however, that if for any reason any part of the proceeds be not applied to or be not necessary for such purposes, such unexpended part of the proceeds shall be applied to the payment of the principal of said bonds. The cost of preparing, issuing, and marketing bonds shall be deemed to be one of the purposes for which the bonds are issued. Interest accruing on temporary loans for an improvement of property during the period of construction or acquisition of the improvement of property and within six months thereafter, shall be deemed to be part of the cost of such improvement or property and payable out of the proceeds of the sale of bonds issued therefor.

Section 20. Bonds incontestable thirty days from publication.—Any bonds reciting that they are issued pursuant to this act shall in any action or proceeding involving their validity be conclusively deemed to be fully authorized by this act and to have been issued, sold, executed, and delivered in conformity herewith, and with all other provisions of statutes applicable thereto, and shall be incontestable, anything herein or in other statutes to the contrary notwithstanding, unless such action or proceeding is begun within thirty days after the first publication of the bond ordinance.

Section 21. Tax for principal and interest.—The governing body shall levy and collect annually a tax sufficient to pay:

(1) the annual interest on all bonds;
(2) the principal of all serial bonds falling due during the current fiscal year;
(3) the annual sinking fund installment on all sinking fund bonds;

except in cases where other revenues are specifically available for those purposes.[1] The powers stated in this section in respect to the levy of taxes for the payment of the principal and interest of bonds heretofore or hereafter issued shall not be subject to any limitation prescribed by law upon the amount or rate of taxes which a municipality may levy.

Section 22. Supervision by the state.—It shall be the duty of the financial officer of every municipality in the state, within sixty days after this act takes effect, and within thirty days after the close of each fiscal year thereafter, to file with the state auditor a sworn statement showing the dates of issuance, purposes, amounts and maturities of all bonds, notes, or other obligations outstanding, the assessed valuation of all taxable property in the municipality, the condition of all sinking funds and such other information as the state auditor may require. The state auditor shall keep a record of all bonds issued or redeemed by each municipality and of the conditions of their sinking funds and shall make an annual statement showing the amounts and maturities of bonds outstanding against each municipality and the amount of money and detailed description of all securities in the sinking funds for their payment.

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[1] Such exceptions might include, as examples, a tax levy for the principal and interest on bonds issued for revenue-producing enterprises, and on bonds issued in anticipation of the levy of special assessments.

As indicated in Note 8, while a definite rate of earning must be fixed for the sinking fund, it is obvious that the exact rate of earning cannot be anticipated. It is necessary that the annual tax levy for sinking fund purposes be adjusted to the actual rate of earning of the sinking fund. If the sinking fund earned more than the rate determined for it, the current tax levy should be credited with the surplus in the fund; if it earned less, the current tax levy should be charged with an amount sufficient to make up the deficit.

Before any municipality shall issue any bonds, after .... 19..., the officer having charge of its financial records shall transmit to the state auditor a sworn statement showing the dates of issuance, purposes, amounts and maturities of all bonds or other indebtedness outstanding, the assessed valuation of all taxable property in the municipality, the condition of all sinking funds, and such other information as the state auditor may require. The state auditor shall examine the same, and if he finds that the issuance of the proposed bonds will not be in violation of any of the provisions of this act and that they will not cause the debt of the municipality to exceed any constitutional, statutory or charter limitation, and that the amounts in all sinking funds comply with the provision of this act, he shall make a certificate to that effect and forward the same to the officer of the municipality from whom the statement was received. No bonds may be issued until such certificate has been made. The state auditor is hereby authorized to employ the necessary assistance to perform the duties hereby assigned to him.

MISCELLANEOUS

Section 23. Passage and effect of ordinances.—Except as otherwise provided in this act, ordinances and resolutions passed pursuant thereto shall be passed in the manner provided for the passage of other ordinances and resolutions. In any municipality in which the acts of the governing body thereof involving the raising or expenditure of money are required by law to be approved by some other official board or officer of the municipality in order to make them effective, all ordinances and resolutions passed by the governing body under this act shall, unless they relate solely to elections held under this act, be so approved before they take effect.

Section 24. Action for enforcement of this act.—Any officer of a municipality or any one or more taxable inhabitants thereof, or any creditor to whom the municipality is indebted to an amount not less than one thousand dollars, may, within the periods of limitation prescribed by this and other acts, maintain an action or other proceeding against the municipality or any officer thereof to set aside or have declared invalid any illegal official act on the part of the municipality or its officers, or to prevent any such act, or to compel the municipality or its officers to comply with the provisions of this and other laws relating to the debt of the municipality. The court of the county or district in which the municipality is situated shall have jurisdiction to enforce by mandamus, injunction, or other appropriate remedy the provisions of this act and of said laws.

Section 25. Former laws superseded.—All acts and parts of acts, general or special, to the extent that they relate to the subject matter of this act, are superseded by this act; provided, however, (a) that acts and proceedings heretofore done or taken by any municipality or the voters thereof or any board of officers thereof, pursuant to acts or parts of acts superseded by this act shall have the same force and effect as if done and taken pursuant to this act, and only subsequent proceedings shall be taken as provided in this act; provided further, (b) that in all cases where, pursuant to acts or parts of acts so superseded, an ordinance or resolution has been heretofore passed authorizing the issuance of the bonds or notes in accordance with the terms of such ordinance or resolution, and it shall not be necessary to pass the ordinance provided for in section nine of this act.

APPENDIX I

EXCERPTS FROM STATE LAWS SHOWING ESTIMATED PERIODS OF LIFE OF IMPROVEMENTS

Michigan.—"No bonds, except for subways or rapid transit or sewage disposal systems for cities, shall be issued for a longer time than thirty years, nor for a longer time than the estimated period of usefulness of the property or improvement for which the bonds are issued. The estimated period of usefulness shall be determined by a majority vote of the governing body of the municipality, and such determination shall be conclusive in any action or proceeding involving the validity of the bonds. Bonds for the purposes hereinafter specified shall not be issued for a longer time than the following, to wit:

"1. Bonds issued in anticipation of special assessments, two years from the time fixed by law for the payment of the several installments of the assessments from which the bonds are payable.

"2. Bonds for payment of judgments against the municipality and emergency bonds for relief from fire, flood or other calamity, five years.

"3. Bonds for the purchase of personal property other than material for permanent construction, machinery for public utilities or original furnishing and equipment of new buildings, ten years.

"4. Bonds for construction opening, widening or improvement of highways, streets or alleys, fifteen years."

New Jersey.—"The probable period of usefulness of any property or improvement shall not be deemed for the purpose of the declaration in the ordinance authorizing bonds to exceed the following number of years for the following classes of property or improvement or purpose:

"(A) The acquisition or construction or reconstruction of a sewer system (either sanitary or surface drainage, including purification or disposal plants) or any part thereof, or buildings, land or rights in land therefor, including or not including the original furnishing, or equipment, or machinery, or apparatus, or any or all of such items, forty years.

"(B) The acquisition or construction or reconstruction of gas systems or any part thereof, or buildings, land or rights in land therefor, including or not including the original furnishing, or equipment, or machinery, or apparatus, or any or all of such items, thirty years.

"(C) The acquisition or construction or reconstruction of water supply systems or any part thereof, or buildings, land or rights in land therefor, including or not including the original furnishing, or equipment, or machinery, or apparatus, or any or all of such items, forty years.

"(D) The acquisition or construction or reconstruction of an electric light or power system, or any part thereof, or buildings, land or rights in land therefor, including or not including the original furnishing, or equipment, or machinery, or apparatus, or any or all of such items, twenty years.

"(E) The acquisition or construction or reconstruction of a plant for the incineration or disposal of ashes, or garbage, or refuse, or any part thereof, or buildings, land or rights in land therefor, including or not including the original furnishing, or equipment, or machinery, or apparatus, or any or all such items, ten years.

"(F) Acquiring land for public parks, whether including or not including a playground as part thereof, or the original improving and embellishing of the same, or constructing buildings therefor, or original furnishings or equipment, or machinery, or apparatus therefor, or any or all of such items, fifty years.

"(G) Acquiring land for playgrounds, whether including or not including original improving and embellishing of the same or constructing buildings therefor, or original furnishings, or equipment, or machinery, or apparatus therefor, or any or all of such items, shall mature in not exceeding thirty years.

"(H) Acquiring land not included in other subdivisions of this section (four), forty years.

"(I) The acquisition or construction of buildings not included in other subdivisions of this section four, whether including or not including the land therefor, or whether including or not including the original furnishings, or equipment, or machinery, or apparatus required for the purposes for which such buildings are to be used, if such buildings be:

"a. Of frame construction, that is, a building of which the exterior walls or a portion thereof shall be constructed of wood; or a building sheathed with boards and partially or entirely covered with four inches or less of masonry or with metal sheets, twenty years.

"b. Of non-fireproof construction, that is, a building the outer walls of which are constructed in accord with the specifications contained in clause (c) of this subdivision for a fireproof building, but which fail to conform with any of the other specifications for a fireproof building as defined in clause (c), thirty years.

"c. Of fireproof construction, that is, a building the walls of which are constructed of brick, stone, iron or hard incombustible materials, and in which there are no wood beams or lintels, and in which the floors, roofs, stair halls and public halls are built entirely of brick, stone, iron or other hard incombustible materials and in which no woodwork or other inflammable material is used in any of the partitions, floorings or ceilings; but this definition shall include a building in which there is used, elsewhere than in the stair halls, and entrance halls, wooden flooring on top of the fireproof floor, or wooden sleepers, wooden handrails and treads, if made of hard wood not less than two inches thick, forty years.

"(J) Construction of an addition or additions to buildings or for the reconstruction of buildings, if not included in any other subdivision of this section four, if the building to which such addition is made or to be reconstructed is a building:

"a. Of the character described in subdivision I, clause (a), fifteen years.

"b. Of the character described in subdivision I, clause (b), twenty years.

"c. Of the character described in subdivision I, clause (c), thirty years.

"(K) The construction or reconstruction of bridges (including retaining walls and approaches), of stone, concrete or iron construction, or of a combination of any or all of these materials, thirty years.

"(L) Constructing or reconstructing the pavement of roads, streets or highways, or widening such pavement, whether including or not including sidewalks, or curbs, or gutters, or drainage, if such pavement:

"a. Is constructed of sand and gravel, five years.

"b. Is of water-bound macadam or penetration process, ten years.

"c. Is of bituminous concrete construction, fifteen years.

"d. Is of blocks of any material or of sheet asphalt, laid on concrete foundation, twenty years.

"e. Is of concrete construction not less than six inches thick, twenty years.

"(M) The acquisition of land for roads, for streets or for highways, or eliminating curves, or grading, or any or all of such purposes, whether including or not including culverts, bridges, or retaining walls, or surface, or subsurface drainage, thirty years.

"(N) The construction of curbs, or sidewalks, or gutters of brick, stone or concrete, or for any or all of such purposes, ten years.

"(O) The installation of fire or police alarms, telegraph or telephone service, or other system of communication for municipal use, thirty years.

"(P) The purchase of fire engines, fire trucks, hose carts or other vehicles, for use in the fire department, or for ambulances, patrol or other vehicles for use by the police department, or vehicles for use in any other department for the municipality, or the use of municipal officials, ten years.

"(Q) The purchase of land for cemeteries, including or not including the improvement thereof, thirty years.

"(R) The construction of sewer, water, gas or other service connections from the service main in the street to the curb or property line, when said work is done by the municipality in connection with any permanent improvement of or in any street, five years.

"(S) The elimination of any grade crossing or crossings, or improvements in connection therewith, or for any part thereof, fifty years.

"(T) Equipment, apparatus or furnishing, not included in other subdivisions of this section four, ten years.

"(U) Any purpose or purposes not included in any of the foregoing subdivisions (A) to (T), inclusive, forty years."

North Carolina.—"In determining, for the purpose of this section, the probable period of the usefulness of an improvement or property, the governing body shall not deem said period to exceed the following periods for the following improvements and properties, respectively, viz.:

"a. Sewer systems (either sanitary or surface drainage), forty years.

"b. Water supply systems, or combined water and electric light systems, or combined water, electric light and power systems, forty years.

"c. Gas systems, thirty years.

"d. Electric light and power systems, separate or combined, thirty years.

"e. Plants for the incineration or disposal of ashes, or garbage, or refuse (other than sewage), twenty years.

"f. Public parks (including or not including a playground, as a part thereof, and any buildings thereon at the time of acquisition thereof, or to be erected thereon, with the proceeds of the bonds issued for such public parks), fifty years.

"g. Playgrounds, fifty years.

"h. Buildings for purposes not stated in this section, if they are:

"(1) Of fireproof construction, that is, a building the walls of which are constructed of brick, stone, iron, or other hard, incombustible materials, and in which there are no wood beams or lintels, and in which the floors, roofs, stair halls, and public halls are built entirely of brick, stone, iron, or other hard, incombustible materials, and in which no woodwork or other inflammable materials are used in any of the partitions, floorings, or ceiling (but the building shall be deemed to be of fireproof construction notwithstanding that elsewhere than in the stair halls and entrance halls there is wooden flooring on top of the fireproof floor, and that wooden sleepers are used, and that it contains wooden handrails and treads, made of hardwood, not less than two inches thick), forty years.

"(2) Of nonfireproof construction, that is, a building the outer walls of which are constructed of brick, stone, iron, or other hard, incombustible materials, but which in any other respect differs from a fireproof building as defined in this section, thirty years.

"(3) Of other construction, twenty years.

"i. Bridges and culverts (including retaining walls and approaches), forty years, unless constructed of wood, and in that case, ten years.

"j. Lands for purposes not stated in this section, fifty years.

"k. Constructing or reconstructing the surface of roads, streets, or highways, whether including or not including contemporaneous constructing or reconstructing of sidewalks, curbs, gutters, or drains, and whether including or not including grading, if such surface:

"(1) Is constructed of sand and gravel, five years.

"(2) Is of waterbound macadam or penetration process, ten years.

"(3) Is of bricks, blocks, sheet asphalt, bitulithic, or bituminous concrete, laid on a solid foundation, or is of concrete, twenty years.

"l. Land for roads, streets, highways, or sidewalks, or grading, or constructing or reconstructing culverts, or retaining walls, or surface, or subsurface drains, fifty years.

"m. Constructing sidewalks, curbs, or gutters of brick, stone, concrete, or other material of similar lasting character, twenty years.

"n. Installing fire or police alarms, telegraph or telephone service, or other system of communication for municipal use, thirty years.

"o. Fire engines, fire trucks, hose carts, ambulances, patrol wagons, or any vehicles for use in any department of the municipality, or for the use of municipal officials, ten years.

"p. Land for cemeteries, or the improvement thereof, thirty years.

"q. Constructing sewer, water, gas, or other service connections, from the service main in the street to the curb or property line, when the work is done by the municipality in connection with any permanent improvement of or in any street, ten years.

"r. The elimination of any grade crossing or crossings and improvements incident thereto, thirty years.

"s. Equipment, apparatus, or furnishings not included in the foregoing clauses of this subsection, ten years.

"t. Any improvement or property not included in other clauses of this subsection, forty years."

Ohio.—"The maturities of bonds issued by counties and other political subdivisions, including charter municipalities, shall not extend beyond the following limitations as specified in the following classification, the period to be measured from the date of the bonds.

"Bonds issued for—

"Class (a)—the acquisition of real estate or easements or other interests in real estate, grade crossing elimination, and flood prevention, thirty years.

"Class (b)—the construction or improvement of fireproof buildings or other structures, widening of roads, highways, streets or alleys, general waterworks improvements, sanitary and storm sewers, sewage disposal works, and bridges, twenty-five years.

"Class (c)—the construction or improvement of non-fireproof buildings or other structure, electric light plant and equipment, police and fire alarm and telegraph systems, fifteen years.

"Class (d)—waterworks meters, fire apparatus, road rollers, furniture and furnishings, machinery in garbage disposal plant, landscape planting, playground apparatus, sidewalks, curbs, gutters, and the construction, reconstruction, resurfacing, grading, or drainage of roads, highways, streets, or alleys, ten years.

"Class (e)—motor vehicles other than fire apparatus, wagons and horses, bonds issued to pay judgments for personal injuries or other non-contractual obligations and also for defraying the expenses of an extraordinary epidemic of disease, five years.

"Class (f)—purposes not included in the foregoing classes, such number of years not exceeding thirty as is the estimated period of usefulness of the asset, improvement, or other purpose, such estimate to be made by the fiscal officer.

"Class (g)—a single bond issue for a purpose which includes two or more of the foregoing classes, the average number of years of usefulness as measured by the weighted average of the amounts proposed to be expended or said several classes in accordance with above table of maturities; such estimating and calculation of average to be made by the fiscal officer."

APPENDIX II

COMPARATIVE COST OF A $1.00, 4 PER CENT, 20-YEAR, BOND SOLD UPON A SINKING FUND, SERIAL, AND ANNUITY BASIS,—SINKING FUND ACCUMULATED AT 4 PER CENT ANNUALLY

Sinking Fund Bond

Year	Principal	Interest	Total
1	$.033582	$.04	$.073582
2	.033582	.04	.073582
3	.033582	.04	.073582
4	.033582	.04	.073582
5	.033582	.04	.073582
6	.033582	.04	.073582
7	.033582	.04	.073582
8	.033582	.04	.073582
9	.033582	.04	.073582
10	.033582	.04	.073582
11	.033582	.04	.073582
12	.033582	.04	.073582
13	.033582	.04	.073582
14	.033582	.04	.073582
15	.033582	.04	.073582
16	.033582	.04	.073582
17	.033582	.04	.073582
18	.033582	.04	.073582
19	.033582	.04	.073582
20	.033582	.04	.073582
Total	$.671640	$.80	$1.471640

Average life, 11.79 years.

Serial Bond

Year	Principal	Interest	Total
1	$.05	$.040	$.090
2	.05	.038	.088
3	.05	.036	.086
4	.05	.034	.084
5	.05	.032	.082
6	.05	.030	.080
7	.05	.028	.078
8	.05	.026	.076
9	.05	.024	.074
10	.05	.022	.072
11	.05	.020	.070
12	.05	.018	.068
13	.05	.016	.066
14	.05	.014	.064
15	.05	.012	.062
16	.05	.010	.060
17	.05	.008	.058
18	.05	.006	.056
19	.05	.004	.054
20	.05	.002	.052
Total	$1.00	$.420	$1.420

Average life, 10.5 years.

Annuity Bond

Year	Principal	Interest	Total
1........	$.033582	$.040000	$.073582
2........	.034925	.038657	.073582
3........	.036322	.037260	.073582
4........	.037775	.035807	.073582
5........	.039286	.034296	.073582
6........	.040857	.032724	.073581
7........	.042492	.031090	.073582
8........	.044191	.029390	.073581
9........	.045959	.027623	.073582
10........	.047797	.025784	.073581
11........	.049709	.023873	.073582
12........	.051698	.021884	.073582
13........	.053765	.019816	.073581
14........	.055916	.017666	.073582
15........	.058153	.015429	.073582
16........	.060479	.013103	.073582
17........	.062898	.010684	.073582
18........	.065414	.008168	.073582
19........	.068030	.005551	.073581
20........	.070752	.002830	.073582
Total....	$1.000000	$.471635	$1.471635

Average life, 11.79 years.

COMPARATIVE COST OF A $1.00, 4 PER CENT, 18-YEAR, BOND SOLD UPON A SINKING FUND AND ANNUITY BASIS,—SINKING FUND ACCUMULATED AT 4 PER CENT ANNUALLY

Sinking Fund Bond

Year	Principal	Interest	Total
1........	$.038993	$.04	$.078993
2........	.038993	.04	.078993
3........	.038993	.04	.078993
4........	.038993	.04	.078993
5........	.038993	.04	.078993
6........	.038993	.04	.078993
7........	.038993	.04	.078993
8........	.038993	.04	.078993
9........	.038993	.04	.078993
10........	.038993	.04	.078993
11........	.038993	.04	.078993
12........	.038993	.04	.078993
13........	.038993	.04	.078993
14........	.038993	.04	.078993
15........	.038993	.04	.078993
16........	.038993	.04	.078993
17........	.038993	.04	.078993
18........	.038993	.04	.078993
Total....	$.701874	$.72	$1.421874

Average life, 10.56 years.

Annuity Bond

Year	Principal	Interest	Total
1........	$.038993	$.040000	$.078993
2........	.040553	.038440	.078993
3........	.042175	.036818	.078993
4........	.043862	.035131	.078993
5........	.045617	.033377	.078994
6........	.047441	.031552	.078993
7........	.049339	.029654	.078993
8........	.051312	.027681	.078993
9........	.053365	.025628	.078993
10........	.055500	.023494	.078994
11........	.057720	.021274	.078994
12........	.060028	.018966	.078994
13........	.062430	.016564	.078994
14........	.064927	.014067	.078994
15........	.067524	.011470	.078994
16........	.070225	.008769	.078994
17........	.073034	.005960	.078994
18........	.075955	.003038	.078993
Total....	$1.000000	$.421883	$1.421883

Average life, 10.56 years.

The foregoing tables show the comparative cost of a $1.00, 4 per cent, bond issue, for the three types of bonds. If the sinking fund earns the same rate of interest as the bonds carry, the difference in cost is dependent upon the average life of the bonds,—*i.e.*, upon the average time the borrower has the use of the principal.

Summarized, the tables show as follows:

Type of Bond	Term	Cost	Average Life (years)
Serial.........	20-year	$0.420000	10.50
Annuity	20-year	.471635	11.79
Sinking Fund..	20-year	.471635	11.79
Annuity......	18-year	.421883	10.56
Sinking Fund..	18-year	.421883	10.56

In issuing bonds, consideration should be given not alone to the market price of money for long-term investment, but to the prevailing rates of interest for the different types for different periods.

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THE LEAGUE'S BUSINESS

Thirty-third Annual Meeting to Be Held in New York.—At the meeting of the council in January it was decided to hold the thirty-third annual meeting in New York. The exact dates will be determined shortly by the executive committee after conferences with other interested associations. The time will probably be in October or early November.

The Governmental Research Conference and the National Association of Civic Secretaries have voted to meet at the same time and place. Plans are being developed for introducing some novel features in the program. Further announcement will be made shortly.

*

Model Bond Law Well Received.—No report of the League in recent years has received more favorable national publicity than the model bond law drafted by our committee on municipal borrowings, Mr. Carl H. Pforzheimer, chairman, and published as a supplement to the February Review. Long digests of it were carried in the metropolitan newspapers and in the *Daily Bond Buyer* and individual requests for copies are being received from all parts of the United States. The model bond law has already proved of assistance to persons engaged in drafting municipal bond legislation in four states.

*

Report on Model Registration System Proving Helpful.—This report, which was published as a supplement to the January Review, appears to have been most opportune. Requests for special copies have been received from all parts of the United States. A number of legislatures are considering permanent registration laws and most of the bills introduced follow closely the specifications laid down in our report.

The Missouri legislature is considering a bill drafted by the Kansas City Public Service Institute providing permanent registration for Kansas City. In Washington, a bill modeled on our report and applying to Seattle, is before the legislature. Unfortunately, the application of these bills will not be state wide, but a bill introduced in Wisconsin does apply to all cities in the state. The legislatures of Ohio, California and Iowa are also considering permanent registration bills. A measure extending permanent registration throughout the state, with the exception of New York City, is to be introduced into the New York legislature. The National Municipal League is also helping to defend the permanent registration law passed last year in New Jersey, which strong interests are this year seeking to repeal. The secretary of the League last month led a discussion on permanent registration before a meeting of the League of Women Voters and the State Federation of Women's Clubs. The probability is that the New Jersey measure will not be repealed, and, if amended, it will be in the direction of improving its administration.

NATIONAL MUNICIPAL REVIEW

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EDITORIAL COMMENT

"For a republic, as far as I can see, is not free but serves itself, and is oppressed with the greater servitude and solicitude, the better it is administered. For it is necessary that all be vigilant for the public good. The result is that no one can ever have any solid quiet and tranquillity, if he sets out to be a good citizen." (From the Unpublished Treatise of Lippus Brandolinus De Comparatione Reipublicae et Regni.—Prof. Lynn Thorndyke in *Political Science Quarterly.*)

*

We extend our congratulations to the *Calcutta Municipal Gazette* upon its second birthday and entrance upon its third year of successful publication. The *Gazette* is published by the Municipal Corporation of Calcutta as organized under the Calcutta Municipal Act passed in 1923 by the Bengal legislative council. A special anniversary number contains a variety of articles upon progress in municipal government in Calcutta.

*

The Rochester, N. Y., home rule, city manager charter has been in general sustained by Supreme Court Justice Robert F. Thompson in an opinion filed last month. The provision for the non-partisan election of the city council was, however, overthrown. The justice held that this feature was in contravention of the general election law of the state, and was, therefore, without the field over which the city may exercise control.

*

Alameda County, Calif., has availed itself of the home rule power granted by the state constitution by drafting and adopting a county charter. The charter provides for a board of supervisors of five members and an elected auditor, assessor, district attorney, sheriff, superintendent of schools and treasurer. A long list of officials appointed by the supervisors includes a board of education, coroner, county clerk, probation officer, purchasing agent, public administrator, public defender and a civil service commission.

*

Political Meddling with Police and Fire Services Authorities on police and fire administration are generally opposed to charter provisions which give to civil service commissions a share in the administration of these services. Their position is that the control of the departments by the responsible heads is interfered with, if not practically destroyed, by the participation of the civil service commission in discipline, dismissals and promotions.

Recent evidence collected by the

Cleveland Citizens' League seems to establish the soundness of this position. Under the Cleveland charter, dismissed or demoted policemen or firemen may appeal to the civil service commission. The framers of the charter seem to have contemplated that the civil service commission would serve as a check only upon unjust dismissals and demotions. The possibility that the commission would be more political-minded than the responsible heads of these services does not seem to have entered their minds.

Yet, according to the Citizens' League, the civil service commission "during the past three years has repeatedly restored admitted violators of the state law, city ordinances and departmental rules, to their positions, even when the evidence of their guilt was clear and beyond question." During the year 1925, the civil service commission sustained the director of public safety in only 38 per cent of the appeals. Obviously, under such circumstances, no sensible person can hold the director of public safety strictly accountable for the morale of the police and fire-fighting forces.

The Cleveland situation should be considered as another call to a reëxamination of the proper relationship of a civil service commission to the operating heads of departments. Much of the progress in municipal administration in recent years has been due to the adoption of the short ballot principle, an important element of which is unequivocal concentration of responsibility in department heads. To allow any outside agency to share in control defeats the short ballot idea.

The revised model charter of the National Municipal League, now going to press, permits appeal to the civil service commission by discharged employees, but the decision of the commission is advisory only. The commission cannot defeat the action of the city manager or the appropriate department head. This, indeed, seems as far as any civil service commission should be allowed to go.

*

Unsound Pension Systems

In contrast with Baltimore's new and sound pension system (described by George B. Buck in the Review for last August), stands that of Philadelphia. According to a report of the Philadelphia Bureau of Municipal Research, the Quaker City's scheme is operated on a "cash" basis; *i.e.*, such essentials as actuarial calculation, accrued liabilities, and reserves do not receive any consideration whatever. At the close of 1925 the pension fund assets totaled only $439,413, whereas liability for deposits withdrawable by employees upon separation from the service aggregated $1,570,910. Disregarding accrued liability for pensions, the deficit in the fund, therefore, amounted to $1,131,500.

The city's failure to maintain a practical and honest pension system is nothing less than a breach of faith with employees. Sooner or later Philadelphia will be compelled to take drastic steps, and the expense will be heavier the longer a thoroughgoing reform is postponed.

But some other cities are no better off than Philadelphia, and in no case is a stitch in time more profitable than with respect to defective pension systems. Of this truth the past experience of fraternal insurance is proof sufficient.

*

Wisconsin Begins Attack on Administration Boards

An interim committee of the Wisconsin legislature, of which Senator Max W. Heck is chairman, has submitted to that body an interesting report on state administration and taxation. It appears from this report that the political leaders of the state are getting away from what Charles McCarthy called the "Wisconsin Idea." While the committee does not recommend a complete reorganization of the administrative system, it proposes several very important changes. It recommends that practically all ex-officio boards, of which there are more than a score, be abolished. Among these boards is the state board of public affairs, one of the most powerful bodies in the state and the veritable keystone of the arch of board government in Wisconsin. It is to be completely reconstituted along the lines of the commission on administration and finance of Massachusetts. Some thirty statutory departments, boards, and committees are to be abolished and their functions consolidated in two new departments or with existing agencies.

At the head of the reorganized board of public affairs is to be a board of three members, one appointed by the governor, one by the senate, and one by the assembly for terms of six years. This board is to prepare the state budget, control the allotment of state funds, purchase all supplies for state departments and institutions, control state printing, administer the civil service law (the civil service commission is abolished), designate state depositories, prescribe accounting forms and methods for all state agencies, and have the care and custody of the state capitol.

Another recommendation of the committee is for the creation of a state board of education, consisting of three full-time members, the superintendent of public instruction and two members appointed by the governor. This board is to exercise supervision over all educational institutions and activities of the state, replacing the board of regents of the University and the normal and other school boards. The recent over-expansion of the normal schools is criticized and it is proposed to limit this work immediately.

It is further proposed by constitutional amendment that the terms of the elective officials, the governor, lieutenant governor, secretary of state, state treasurer, and attorney-general, be extended to four years, and that they be elected at the time of the presidential election.

Numerous recommendations are made for the revision of the state tax system. These relate to the income tax, the inheritance tax, the motor vehicle tax, bank tax, and general property tax. One of particular interest is the proposal to amend the constitution to authorize the taxation of forest lands on a different basis from other property.

A. E. B.

*

Who Should Get the Water Power?

A bitter struggle is now going on in New York to determine who shall control the water power of the state. It is of the utmost significance to all localities which now enjoy or hope to enjoy the benefits of hydroelectric power, and readers should turn to the Public Utilities Department of this issue and read Dr. Bauer's clear exposition of the issues at stake.

The contest is between those who favor the license policy introduced by Governor Miller and those who back Governor Smith's public ownership plan. New York state contains more than 10 per cent of the potential water power of the country, and half of her share is in huge projects at Niagara and in the St. Lawrence River. The latter alone can, at little capital cost, make available 2,500,000 horse power, half of which will belong to Canada.

The license policy involves a fifty-year lease of the state's power resources to private interests which would be subject to control by the public service commission. Opponents argue that this proposal does not clearly define the bases of rate regulation, amortization and service, and that it would be subject to all the uncertainties and frailties of present public utility regulation.

On the other hand, Governor Smith proposes a state-owned corporation, a "Water Power Authority," similar to the Port Authority of New York, with complete control over issuance of bonds, construction and operation of properties, and generation and transmission of power. The state would thus directly determine rates, and the danger that the 50-year license would develop into a perpetual franchise, amounting to outright alienation by the state of its rights in water power, would, in the minds of Governor Smith and his friends, be averted.

Impartial opinion seems to be that the form of lease at present proposed is loosely drawn in the interest of private capital rather than of the public at large. The recapture provisions, as well as the terms of regulation, appear vague and of doubtful value to the state. If the license policy is adopted, the licenses should be more carefully drafted with more definite provisions in the public interest. Opponents, however, question whether any license system can be framed which will adequately take care of the public interest throughout future years.

Dr. Bauer believes that the costs of public and private development will be about the same, with a margin of advantage in interest rates favoring public development. However, the important thing is that the state take care not to divest itself of valuable interests even if it can recapture them in fifty years. We should be mindful of early experiences with street railway franchises. Governor Smith has flashed the yellow light, "Proceed with Caution," and in doing so merits the gratitude of the people.

The Democratic governor and the Republican legislature are widely apart in their power programs, and the net product of the present session will probably be the creation of a commission for further study.

⁂

Both New Jersey and New York will witness stirring campaigns this autumn upon the adoption of constitutional amendments providing four-year terms for the governor with election in the presidential year. The Democratic parties of both states seem able to elect governors with a frequency extremely annoying to their Republican opponents, who are generally in control of the legislature. The amendments are frankly in aid of the Republican organizations who wish to capitalize the party enthusiasm at presidential elections. Governor Smith and Governor Moore will actively campaign against them.

CONTROLLING AN INCREASING ACCIDENT TOLL

BY HENRY BRUÉRE

Third Vice President, Metropolitan Life Insurance Co.

Educational campaign, following an engineering traffic survey, brings results in Albany. :: :: :: :: :: :: :: ::

Six months of organized educational community effort in safety in Albany, N. Y., during the latter half of 1926, have reduced accidental deaths 28 per cent as compared with the record during the same period of last year. Industrial, public and home fatalities have all been cut in numbers, the latter type showing a remarkable drop, only two deaths having been reported during this period as against seven in 1925.

As a group, children under fifteen years of age have benefited most by the safety program that has been instituted—an anticipated result, since experience in other cities has shown that children are generally first to respond to an educational movement of a scope and influence that will compel their attention and arouse their interest. Whereas four school children met accidental death in the city during the six months prior to the inauguration of the safety program, none have been killed subsequently. Non-fatal traffic accidents to children have also been reduced 33⅓ per cent since the incorporation of safety instruction in the public school curricula.

The above statement should serve as conclusive evidence to the sceptic that safety may become a fact rather than a theory in any well-ordered community today, notwithstanding the increasing complexities of life, the rapidly multiplying hazards to life and limb encountered at work, upon the street or in the home, and the constant speeding up of transportation and industry.

REMEDIAL MEASURES MUST INCLUDE EDUCATION

Accidents cannot be stopped solely by stricter law enforcement, by mechanical protective devices, by heavier court sentences imposed by enlightened judges, or by compulsory measures alone. Ignorance, faulty habits or careless actions are largely at the root of the evil. Remedial measures, if effective, must be of an educational nature; must encourage each individual citizen to assume a different attitude regarding his responsibilities of citizenship and must encourage him to adopt habits suitable to the complex, hazardous environment of today. Certain controls must be developed in the individual, his coöperation secured and an interest in his own safety, as well as that of his fellow citizens, aroused.

Early in 1926 the Metropolitan Life Insurance Company, together with the New York State Conference of Mayors and Other Municipal Officials, undertook to conduct a demonstration in some city in New York to determine the most practical way a city could study and remedy its traffic problem and organize for the prevention of public accidents. The city of Albany was selected. Under the leadership of Mayor Thacher and his administration, a pioneer traffic control program, coupled with educational accident prevention effort, was determined upon and the coöperation of local civic organizations obtained.

ALBANY TRAFFIC SURVEY

The first step in the demonstration consisted of an exhaustive engineering study of traffic congestion and its causes, the movement of traffic and methods of traffic control then in effect. The findings of this survey, conducted by a traffic commission appointed by the mayor, emphasized the importance of several radical revisions of traffic control measures. Provisions for each measure were carefully determined upon and submitted to the mayor. The majority of these recommendations have subsequently been adopted by the common council and enacted into law. They have also been published by the Metropolitan Life Insurance Company in a printed report, entitled "The Traffic Problem" and made available to other communities as a guide to similar activities.

To insure effective results from these engineering revisions in terms of both traffic acceleration and accident prevention, to stamp them with public approval and to propagate the safety idea and reach the public at large with the safety message, the traffic commission early recognized as the paramount need of the demonstration a community-wide educational safety program, to impress upon all citizens the seriousness of increasing hazards to life and limb and to encourage all to adopt and follow habits of safety in their daily lives.

To accomplish this end Mayor Thacher invited the leading civic, service and commercial organizations, the press and school authorities, to appoint representatives to serve on the Albany Central Safety Committee, the clearing house for information and the directing agency for the safety campaign. Each organization thus represented, as its contribution to the work, undertook a specific portion of a well-defined, sensible program of education, which experience in other cities had proved to be effective.

ALBANY BECOMING "SAFETYIZED"

Every proven means of publicity is being utilized to drive home the safety message. Large safety posters with striking slogans, changed monthly, are displayed at street intersections, in street cars, in buses and in public buildings. The reading public has been reached by the press, which as its contribution used its columns to carry safety editorials, photographs, illustrated talks on home and public accident hazards and news items. Organization meetings feature the work; outdoor motion pictures on safety have been shown; safety has been taught on the playgrounds during the summer and the women's organizations have stimulated parents' coöperation.

The public schools have devised and put into operation a plan incorporating safety instruction in the regular classroom subjects, have appointed "Safety Patrols" and organized safety clubs among the children, thus giving accident prevention the place that it deserves as an important objective in the education of a child. In addition, a Safe Drivers' Club has been organized among motorists to spread a spirit of careful and courteous driving throughout the city.

Albany is certainly benefiting. Accidental fatalities are being reduced, fewer children killed or crippled, and suffering, sorrow and poverty are being prevented. The city is becoming a happier, better, safer place in which to work and live, ample reward for the effort expended. The campaign's slogan, "Make Albany the Safest City in the World," is on the way toward accomplishment.

CANBERRA, A FEDERAL CAPITAL PLANNED FROM THE GROUND UP

BY HARLAND BARTHOLOMEW

St. Louis

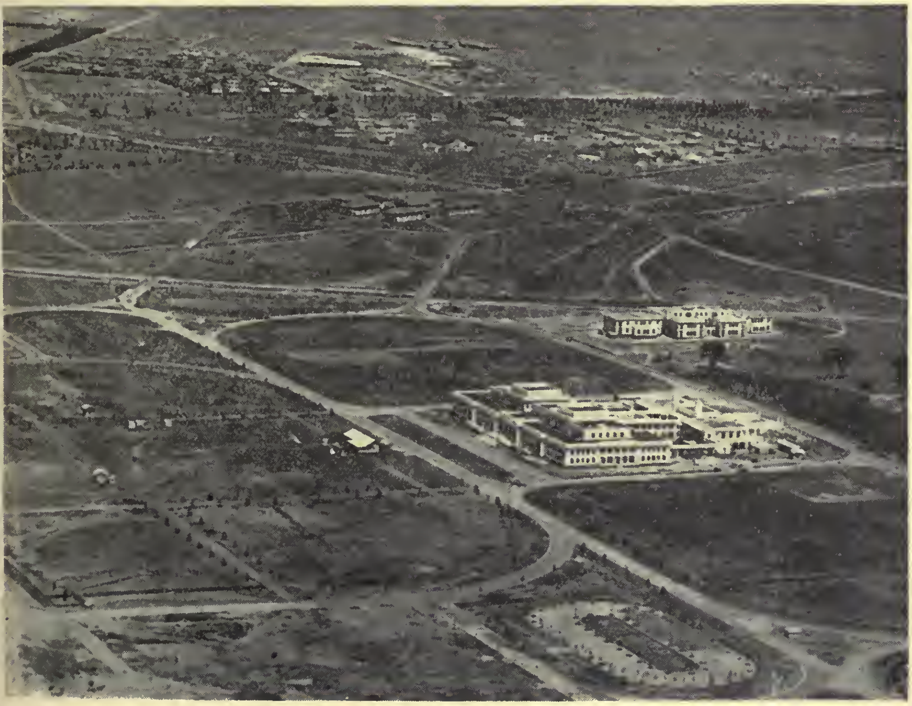
A review of the final report of the Advisory Committee on the construction of Canberra, the new Federal Capital of Australia.

It is a long step from the planning of a new city to the finished construction thereof—if ever any city can truly be said to be finished. To the student of city planning interested in the execution of city planning works as distinguished from the preparation of paper plans, this report indeed reads like a romance.

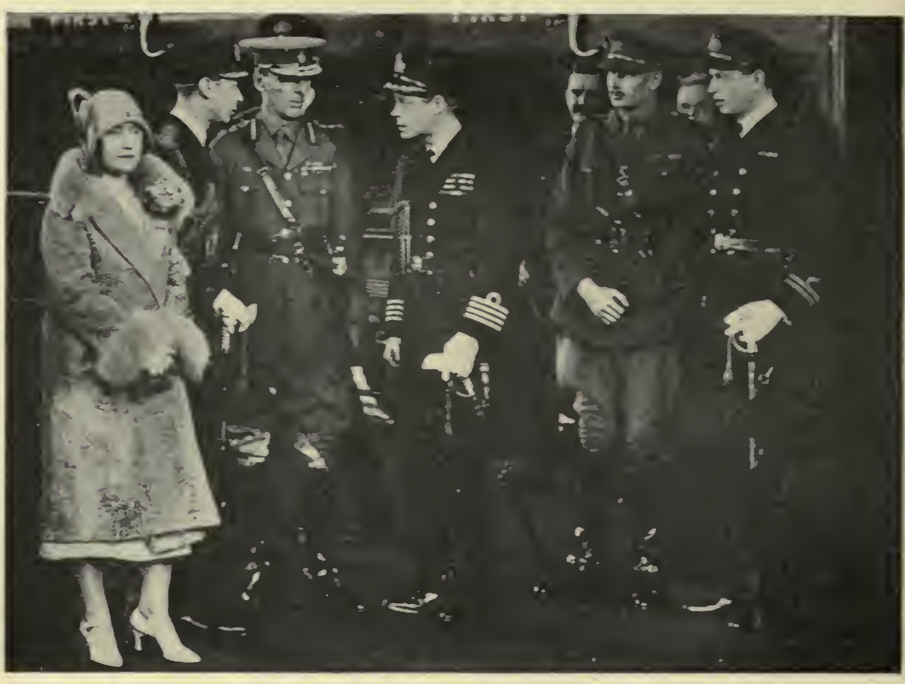
THE PRIZE-WINNING PLAN

Readers will remember Walter Burleigh Griffin's prize-winning plan for a Federal Capital for Australia in 1912. Following the acceptance of that plan, certain work was undertaken, but the intervention of the war, changing ministries, and difficulties in dealing with a cumbersome legislative body, coupled with certain opposition to the entire undertaking, caused one to wonder whether any great plan could ever have been brought to any satisfactory stage of completion.

Recognizing these vicissitudes the



Canberra—The New Federal Capital of Australia; Parliament Building in Foreground



Duke and Duchess of York Sail to Dedicate Parliament Building at Canberra

Scene on H. M. S. *Renown*. The Prince of Wales, with Prince Henry (left) and Prince George, bids his brother and sister-in-law bon voyage

Australian Parliament appointed in 1920 an advisory committee of five—engineers, architects and town planners—to inquire into and to advise upon the status of the city plan, and to formulate a program for extensive construction of public works including administration buildings to which the parliament and government might remove. The wisdom of the appointment of this committee, the immensity of detail work involved, the care with which decisions of importance were made to meet existing conditions without sacrifice of the original plan, augurs well for the future of this capital city and is indeed a tribute to the professional abilities and professional standards of the engineers, architects and town planners of Australia.

This report is the final statement of the advisory committee. Canberra is now provided with a commission of three members in whose hands rests responsibility for the administration and further construction of the Federal Capital. It is to be hoped that the vision of the successive members of this commission will equal that of the Federal Capital Advisory Committee.

TO BEGIN AS A GARDEN CITY

The report is replete with facts and figures as to construction costs but its especial value lies in its discussion of the numerous inquiries made and decisions arrived at during the four years' progress in what might be termed the active construction period.

Canberra is by no means completed at this time. An early decision of the committee was a recognition of the fact that Canberra would ultimately reach a stage of growth of such proportions that all public works need not be created at this time in conformity to the ultimate size and scale of the city. It was wisely decided to make of the early city therefore more of the garden city type of development in the first instance.

Temporary buildings were decided upon for the seat of the government and at a temporary location. On the other hand, certain important physical works, such as the railroad, were placed in their permanent location according to the city plan.

The report deals primarily with the principal works developed by the committee in its four years' tenure of office; discusses at length such matters as water supply, sewerage treatment works, roads, bridges, electric supply, drainage, initial industries essential to the development of the city, such as brick yards, city railway, public buildings, schools, housing, hotels, recreational facilities, war memorial, tree planting and afforestation, temporary accommodations for workmen, financial arrangements, zoning, civic center, land policy, population, and numerous special questions.

There is an appendix giving estimates of construction cost by years, and a list of works completed during the term of office of the advisory committee.

Just one item of interest is that 1,162,942 trees have been planted at a cost of £20,406.

Following the filing of the report the committee was discharged with the thanks of the government and this report was printed, copies of which may be obtained from H. J. Green, Government Printer for the State of Victoria, Commonwealth of Australia.

HAS THE CATSKILL WATER SUPPLY SYSTEM OF THE CITY OF NEW YORK FULFILLED EXPECTATIONS?

BY WILLIAM W. BRUSH

Acting Chief Engineer, Bureau of Water Supply, City of New York

Last autumn, during the campaign for the mayoralty, a New York city paper charged that the low level of the Ashokan reservoir was due to a large leak which had developed. Popular attention at once turned to the adequacy of the city's water supply. The truth is that the Catskill supply has fulfilled expectations, but within eight years new sources will be needed. :: :: :: :: :: :: ::

DURING the past summer and fall the publicity given to the low level of the main storage reservoir of the Catskill system, the Ashokan reservoir, and to the appeals of the New York city water department to reduce waste and lavish use of water to avoid a possible shortage in the supply, has directed public attention to the question of the adequacy of the water supply available for the city. When this presentation of the water supply situation was followed by the publication of a front page news item with scare headlines by a well-known New York city daily paper alleging that the reason for the low level of the Ashokan reservoir was a large leak from that

GILBOA DAM AND RESERVOIR

In November, 1926, the water rose 54 feet in one day, and in about a week's time an empty reservoir was changed to one within 5 feet of the overflow—a rise of 71 feet

reservoir, the public began to question the reliability of the Catskill system.

This story of a serious leak from the Ashokan reservoir has such news value that it was repeated in newspapers in all parts of the country. An impression was thus created in the minds of many persons that the New York city Catskill system which had been heralded as a monumental engineering achievement was at least a partial failure. While the reported leak from the Ashokan reservoir did not exist and while the Catskill system has more than met the expectations and estimates of its advocates and designers, it is desirable to submit facts that prove this assertion and try to counteract the erroneous impression caused by the article alleging a leak from the Ashokan reservoir.

Let us, therefore, as briefly as may be consistent with clearness, consider this question of New York city's Catskill water supply system and its other systems and the needs of the city for the future.

ORIGINAL PLANS AND ESTIMATES FOR THE CATSKILL SYSTEM

After preliminary investigations and reports (the more important being the John R. Freeman report to the comptroller in 1900, the Merchants' Association report of 1900 and the Burr Hering Freeman Commission's report to commissioner of water supply, Robert Grier Monroe, in 1903), the board of water supply was created in 1905 to plan and construct the necessary reservoirs and aqueducts for an additional water supply for New York city. The commissioners of the board appointed J. Waldo Smith as its chief engineer, and under his skillful guidance and direction the Catskill works were planned and successfully completed, sufficiently to deliver water to the city early in 1917.

The report which was submitted by Chief Engineer Smith, to the commissioners of the board of water supply, under date of October 7, 1905, provided for the following:

1. A minimum supply of 500 million gallons daily to be secured from the Catskill Mountains using the watersheds of the Esopus, Rondout, Schoharie, and Catskill creeks as sources of supply.

2. An aqueduct of at least 500 million gallons daily capacity to deliver this water to the New York city line.

3. Distribution of the water to the various parts of the city by a pipe and tunnel system to be later worked out in detail.

In regard to the length of time that the new supply would suffice to meet the city's needs it was stated that "with present rate of growth and use continued, it is certain that New York city will, within twenty-five years, need substantially all the water that these sources can supply in years of extremely low rainfall"; as this statement was made in 1905, the date fixed therein as twenty-five years hence would be 1930.

Some persons estimated that the new supply would be sufficient for the following fifty years, and this idea was accepted by many, but it was never based on official estimates and was in error, as could have been easily found out if the facts available as to the growth in consumption demand had been studied.

RESULTS OBTAINED BY CATSKILL SYSTEM AS BUILT

There was no change from the general plan in carrying out this work except that the Rondout and Catskill creeks were dropped as sources of supply, as it was found that the necessary estimated quantity of 500 million gallons daily could be secured from the other two watersheds, *i.e.*, Esopus and Schoharie. The Gilboa reservoir, which is the collecting reservoir on the Schoharie creek, was completed in July, 1926, and first filled in November. The completed system has therefore been in operation only for a few months and has not had sufficient time to demonstrate its full yield, but the various parts of the system have demonstrated their ability to more than meet the expectations of the designers. These results are summarized as follows:

1. The minimum safe supply from the Catskill system with the Gilboa reservoir in use is 585 million gallons daily, or nearly 20 per cent more than the supply estimated to be furnished by this system.

2. The Catskill aqueduct has a demonstrated delivery capacity of 660 million gallons a day, or over 30 per cent more than was estimated.

3. The city delivery tunnel, which was substituted for a pipe system at a large saving in cost of construction

Upper Gate House from West Basin, Ashokan Reservoir

Upper edge of the dark band on the masonry of the gate house shows the normal spring elevation of the water. Water on Sept. 30, 1926 was more than 50 feet below this elevation and maintenance, has satisfactorily delivered over 650 million gallons daily for a period of several months when this amount of Catskill water was available.

4. The Shandaken tunnel, which is eighteen miles long and conveys the Schoharie water from Gilboa reservoir to Esopus creek and thence to Ashokan reservoir, has shown a delivery capacity of 640 million gallons daily as compared with a designed capacity of 600 million gallons daily.

5. The system has functioned since it was first put into general use in 1917 in a most satisfactory manner and, pending its completion, has delivered more water than was expected by its designers. The Ashokan reservoir with a capacity of 130,000 million gallons has not overflowed since it was first used in 1917, due to the successful effort made to utilize all the available Catskill water and reducing cost of pumping to a minimum.

From the above facts, which are based on daily records the accuracy of which cannot be reasonably or successfully questioned, the obvious conclusion is: *The Catskill water system of the city of New York has more than met the estimates of those who planned it, not alone as to quantity of water to be furnished but as to capacity of aqueducts and satisfactory operation of the works.*

There will remain in the minds of some persons two questions, *i.e.*, why was the Ashokan reservoir nearly empty in October, 1926, and why did the department of water supply urge conservation of the water supply? These questions will be now discussed.

WHY WAS THE ASHOKAN RESERVOIR NEARLY EMPTY IN OCTOBER, 1926?

Storage reservoirs are built to permit a daily draft in excess of the stream flow during months of low flow and are refilled when the flow exceeds the draft. The variation in flow in the Catskill streams is great, the flow falling to virtually nothing in the summer of very dry years and rising occasionally to floods that reach a rate of possibly one hundred times the average daily flow. For a period of a year the total flow in the Esopus has been as low as 106,967 million gallons and as high as 216,585 million gallons between 1903 and 1926. It is expected that the reservoir level will go far down in a low stream flow year. Last year (1926) was the most critical year for the Catskill system that will occur for several years to come, as the completion of the Gilboa reservoir will add to the available supply from the Schoharie creek and hereafter make the average supply from the Esopus and Schoharie creeks more than the capacity of the Catskill aqueduct. The Catskill water can be used without pumping, while the greater part of the Croton must be pumped to give it requisite pressure, and all the Long Island water must be pumped. Any water that was unnecessarily left in storage in the Ashokan reservoir this past fall would be water that was pumped elsewhere at an average cost of about $20 per million gallons. The department endeavored to avoid pumping by drawing down the Ashokan reservoir until the level of the reservoir became such that additional pumping had to be undertaken to safeguard continuity of supply. This situation developed in the spring of 1926, and pumping stations drawing on Croton, Long Island and Staten Island sources were put in full operation as soon as possible. When the stream flow continued low during the past summer, the public was warned to stop waste and avoid unnecessary use of water and all city departments were also asked to do likewise. As an added step inspectors were started on a house-to-house inspection to stop waste. Croton water was served by gravity to Manhattan below about Fourteenth Street during the night hours instead of Catskill water under a reduced head. An additional pumping plant to pump 57 million gallons daily was contracted for in late October to be finished in eight weeks' time. The flow in the Catskill streams during 1925 and 1926 up to November was the lowest recorded for over twenty years.

The combined effect of these steps reduced the draft on the Catskill system to an average of about 420 million gallons daily during the month of October, which was 141 million gallons daily less than the draft the preceding April. By the end of October the supply in sight was enough to meet the anticipated demand during the winter even with most extreme drought. In November the rainfall was heavy, and from one storm occurring on November 15 and 16 more water was secured than would be needed for about three months' demand at the then rate of consumption. The Gilboa reservoir rose 52 feet in one day and nearly filled in a week. The west basin of the Ashokan reservoir rose 18¾ feet in one day and was filled by December 8, although the east basin was then practically empty.

The reason for the low level in the Ashokan reservoir in October, 1926, is the draft maintained to save cost of pumping, and the prolonged low runoff of 1925 and 1926 which continued until last November.

Mayor Walker designated J. Waldo Smith to investigate the alleged leakage from the Ashokan reservoir, and Dr. Charles P. Berkey, geologist, was called in consultation. They both reported that there was no foundation for the story about the leak in the reservoir.

FUTURE OF NEW YORK WATER SUPPLY

The present available water supply of the city with the completion of the Gilboa reservoir has been increased to about 1100 million gallons daily. This figure includes the 45 million gallons daily developed by private companies supplying sections of New York City. By the development of underground waters of Long Island, the total amount can be further increased. The present total demand is about 870 million gallons daily, and the increase in demand about 30 million gallons daily per annum. The need of further additions to the supply some eight years hence is evident. This subject has been studied by the board of water supply, which has reported to the board of estimate in favor of utilizing the Delaware River if a treaty can be secured between New York, New Jersey and Pennsylvania, allowing New York to use this source. If not, the sources recommended are the streams on the east side of the Hudson River, running north to about the vicinity of Albany. From these streams it is expected 434 million gallons daily can be obtained at a cost of $347,934,000.

The board of estimate is now considering this question, and what the final conclusion will be is not now known. It is certain that the city must make important decisions in relation to its water supply in the near future.

SKETCHES OF AMERICAN MAYORS

VI. VICTOR J. MILLER OF ST. LOUIS

BY RICHARD G. BAUMHOFF

St. Louis

The enfant terrible of Joplin moves to St. Louis, becomes the tempestuous president of the police board and at 36 years of age is elected mayor of the city. :: :: :: :: :: :: :: :: :: ::

Mayor Victor J. Miller
Is he a political boss in the making?

Joplin, a city of about 30,000 population, is at the southwestern corner of Missouri and is the capital of an important lead and zinc belt, which spreads into Oklahoma and Kansas and which even today has some reminders of the era when a six-shooter was law and men wore two-gallon hats.

To Joplin St. Louis sends shoes, drugs and clothing styles, and from that mining center the Mound City takes lead and zinc, and sometimes men longing for bigger fields to conquer.

One Julius Miller was something of a power in Republican politics in Joplin in days gone by, and for a time was sheriff there, when that was a wilder and woollier job than now. Among his sons was Victor J. Miller, a tall, stocky youth with high forehead, ruddy face and roving, penetrating eye, now 38 years old. Sometimes when the latter approached, storekeepers would cry out in warning to their clerks: "Look out! Here comes big, fighting Vic." The object of their concern was not particularly dangerous, but he just loved to get in a mêlée.

He was one who found Joplin too small for his ambitions. He went to St. Louis about twenty years ago and was graduated in law at Washington University, having previously taken a college course at the state university. Six years ago he became the big, fighting president of the city police board and then, in May, 1925, was elected mayor. He still likes to chuckle over his reputation as an *enfant terrible* in Joplin and to smack his lips in memory of crusading days as the police head.

THE BACKGROUND OF ST. LOUIS POLITICS

The St. Louis chosen by this self-styled "simple country boy"—"city slickers can't put anything over on me"—as the scene of his striking political rise had no recollection of anything like his methods. It was accustomed to ordinary machine tactics and in large measure was complacent about the results. Today, growing in population and business, it is developing a fine civic feeling—a desire to lead in things of the spirit and soul, and not alone in things of the purse and eye.

It has been for a long time (with some notable exceptions) the bulwark of the G. O. P. in Missouri. Its returns, with the help of a few German counties, have swung the state from the Democratic to the Republican column. A Democrat in office has become a rarity in St. Louis and, due to a state constitutional provision in spite of the contrary intent of the city charter, it is a practical impossibility to put an opposition party in the board of aldermen, the one-house municipal assembly.

Republican politics of St. Louis has been largely under the thumb of the machine. Stripped of its mysterious implication, this power was simply the organization of the Republican city committee, the administration and the several thousand city employees. A force like that, with its precinct workers and patronage power, proved sufficient to control things in favor of the "organization boys." Included in it have been several more or less independent groups, especially the wing controlled by City Collector Edmond Koeln, which more than once licked the machine through Koeln's generalship and latterly beat the upstart opposition of Mayor Miller. But no matter which groups won and lost in Republican primaries they all pulled together to drown the Democratic candidates in ballots on election day.

Such was the atmosphere when Henry Kiel, former chairman of the Republican city committee and now chairman of the Republican state committee, became mayor in 1913. He was conservative, easy-going, honest and good-natured, but he played practical politics and kept his and the party's fences fixed, even when it meant doing things that made the newspapers and good government workers howl. He let his appointees use broad discretion and established himself as the official greeter. He welcomed convention after convention, and spoke so much in behalf of civic movements that it is still an unbroken habit to call on him. Precedent was shattered by his holding three terms, till 1925. He is still "Mr. Mayor" in the affectionate greeting of many citizens and, incidentally, it is not impossible that Kiel and Miller will meet in the Republican contest for governor or United States senator next year, or for mayor in 1929.

At any rate, Miller and Kiel are pretty much at the political and personal antipodes. Friends of Miller regard him as a crusader for civic good, and opponents and detractors delight to say of this talkative executive, "The trouble with Vic is that he was vaccinated with a Victrola needle." He is trying to make the mayor of St. Louis in fact as well as by charter the boss of the city government. Many citizens think he wants to be boss for his own advancement. Perhaps he doesn't welcome as many conventions as his predecessor, but he does not shrink from handing the key of the city to visiting merchants and being photographed with musical comedy stars for publicity purposes.

Starting his law practice in St. Louis in 1910, Miller specialized in insurance and corporation matters and is reputed to have amassed a comfortable competence. He was a first lieutenant of artillery, acting as an instructor at Camp Taylor, Kentucky, during the World War. In 1920 he became an original supporter of Arthur M. Hyde for governor. His reward came when Hyde took office the next year, by his appointment to the presidency of the police board, a four-man body chosen by the governor to direct police affairs of the city, which long has sought home rule without success.

FAME AS POLICE COMMISSIONER

Miller was an "unknown" then, not listed in newspaper files, those telltale compendiums of "who's done what," and unheard of by most St. Louisans. The files are full of him now, and Miller is as well known at home as Rogers Hornsby. The day of his appointment he began talking about his freedom from political obligations, and shortly it became apparent that he was the police board all alone. Striking administrative changes were made, although for years the police have been singularly free from corruption, and new methods were tried. Detectives were sent out to roam the city by night in force, to make lightning descents on criminal haunts, with orders from Miller to "treat 'em rough," and Miller often led these expeditions.

After a year or so he startled the city by charging, in addressing a meeting in a Sunday school room, that pupils of a leading public high school belonged to immoral clubs. This allegation, which Miller failed to prove, brought great indignation on his head, and Governor Hyde demoted him from president to member of the police board, which brought dissension in that body, until the governor fired Miller altogether.

Undaunted, Miller kept up his talking by running for the Republican nomination for governor in 1924, in the hope of rebuking Hyde and organization politicians who had agreed about the expediency of his removal. The result was that Governor Baker, now in office, got 133,000 votes, another candidate polled 80,000 and Miller 79,000, but in St. Louis, where many persons chose to agree with Miller's views on school vice and crime elimination, Miller's vote was nearly 38,000, the second man's, also a St. Louisan, 29,000, and Baker 14,000.

The next day a newspaper reporter asked Miller if he interpreted this as a call of the people to succeed Mayor Kiel. Miller said he didn't know, but he soon found that he had a locally effective political organization and a strong, almost fanatical body of sympathizers, centering in certain Protestant churches. The Ku Klux Klan was making its ineffectual effort to grasp St. Louis in those days, and it was natural perhaps that Miller was charged with being a Klansman, but he denied that and espoused tolerance.

ELECTED MAYOR

In March, 1925, in a bitter three-cornered fight between the Miller machine, the organization machine and an independent clique, Miller received the Republican nomination for mayor with 57,000 votes, against 44,000 votes for the party man and 27,000 for the other. Then the fight began. St. Louis normally has a Republican majority running as high as 60,000 for favorite officials. The Democrats put up a strong man, former Congressman William L. Igoe, and many Republicans deserted their party to vote for Igoe. Miller got 120,352 votes, a majority of only 3,129 over Igoe, while Comptroller Louis Nolte, a popular Republican, was reëlected in a party-line contest with a 53,200 majority. "Lies," "gangsters," "thugs" and "thieves" were some of the picturesque terms figuring frequently in Miller's campaign speeches.

Miller's success in gaining election

as mayor lay in the organization of two elements—women and the "church crowd," to all intents and purposes pretty much the same group as comprises the Anti-saloon League. Miller is his own Boswell, but he has a Warwick, in the person of Robert Kratky, a young lawyer, who proved himself something of a political genius in amalgamating this force, which was augmented by some practical politicians who foresaw the chance to hop on a new band wagon. The Miller organization was complete to the last precinct, and it outworked the old machine at the polls. Since election, Miller's tactics in building up a personal following, through distribution of jobs and otherwise, has been quite similar to that of the old régime.

The difficulty with the Miller political system seems to be that the forces which once rallied to his banner are not stable, and in a primary last August, Collector Koeln won renomination against the strenuous opposition of the mayor, who also failed to elect a number of members of the Republican city committee. However, the new personnel of the committee is currying his favor for the sake of harmony and patronage.

Unable to control the board of aldermen, Miller has relied a great deal on public opinion to force action by that body on proposals he has laid before the people. He has made his "cabinet" of five men—the board of public service, comprising heads of five principal departments—a group amenable to his wishes and loyal to his ideas. He has to a considerable extent made himself boss of the administration, and has succeeded in making other elective officials agree to a considerable extent with his views and plans, out of conviction that he means well. He has, heeding advisers, curbed his propensity for "talking too much," and has made friends. This summarizes his administrative methods, but one doesn't get the impression that he has made good on his early promise to "kick politics out of City Hall."

PROBLEMS FACING THE MAYOR

Finding money to pay for the growing functions of municipal government, a railroad terminal reorganization and a transit reorganization are probably the most important of the problems facing the administration.

The tax rate is $2.58 on the $100 valuation for all purposes, including $1.35 for the city, which is the limit for municipal purposes, and which gives something more than $20,000,000 annual revenue. Included in the city tax rate are special levies, fixed by state law, of four cents for the Public Library and two cents each for the Zoo and Art Museum. Casting about for ways of stretching the budget, Miller hit on the idea of revoking these special levies and leaving the three institutions to the mercy of the annual budget scramble, and has proposed repeal of the levies by the state legislature. However, there is strong public sentiment in favor of the institutions and it has been thought likely their sources of income would remain unmolested. A kindred proposal by the mayor for repeal of the state law requiring the city to appropriate whatever funds the police department demanded appeared to have more chance of success.

The railroad terminal reorganization is a highly involved problem. A citizens' committee worked for several years to prepare an ambitious plan for rearranging rail facilities to secure greater efficiency and service. This involved release to the city for free use, the famous bridge across the Mississippi built by James B. Eads and the utilization by the roads of the idle rail deck of the municipal free bridge. Attack from various angles met the committee plan. Miller submitted a group of compromise ordinances to a special session of the board of aldermen last summer, but the board adjourned without final action and the problem remained in a muddle. Previously the aldermen had let die a measure of the mayor's to charge tolls on the vehicle deck of the municipal bridge for non-residents of Missouri, in retaliation for the action of Illinois authorities in taxing the eastern end of the structure.

Now in receivership, the street car system is being reorganized and must obtain new franchises under new and modern terms. Rapid transit facilities are involved and the city counselor, an appointee of the mayor, drafted an enabling act submitted to the legislature, to authorize the city to build, operate or lease subway and other facilities, and to assess benefited property to pay for them. The trolley line reorganizers have started a bus system coördinated with car service and competing with a strong independent bus system which is allied with New York, Chicago and Detroit companies. The administration eventually must decide how buses shall be treated in the transit realignment, and, more important, it must consider the service-at-cost and other plans for the street cars. Miller has committed himself to submitting the whole problem to the people for final decision.

There are recurrent questions of rates for telephone, gas and electric service confronting the city, but Miller has met no serious trouble in these. The trolley people, however, are trying to raise the fare from seven to eight cents, which means a legal war.

DISMISSAL OF COMMISSIONER WALL

In 1923 St. Louis astonished the nation by voting $87,372,500 in bonds for varied and notable municipal improvements. The preliminaries took a year or two, and the program was just getting well under way when Miller took office. The administrative work falls largely to the board of public service, and Miller was generally commended for keeping as president of the board Edmund R. Kinsey, an engineer thoroughly acquainted with the task, and for the promotion from water commissioner to director of public utilities and membership on the board of Edward E. Wall. These two offices received the brunt of the improvement work and Wall, an engineer of national reputation, was charged with building a new $12,000,000 waterworks on the Missouri River and installing $8,000,000 in electric street lights.

Wall's idea, Miller soon discovered, was to run the place as an engineering proposition without regard to politics. Miller wanted Wall to fire the electrical engineer handling the street lights, to make room for a Miller man, and Wall refused. Miller, anxious to have his own way, thereupon brought charges touching on Wall's efficiency and loyalty. Acting in accordance with the charter, the mayor appeared in the "trial" as grand jury, judge, prosecutor, trial jury and prosecuting witness. The verdict was the dismissal of Wall, which was followed by the resignation of the electrical engineer and the appointment of the Miller man by the new director chosen by the mayor.

RECALL MOVEMENT BEGINS

This was about a year ago and shortly afterwards, in April, 1926, a movement to recall Miller was started. The powers behind the recall movement have never become known and the manager, a former deputy sheriff, was the only point of public contact. Within two months, it was announced, nearly 100,000 signatures to recall petitions were obtained, although only 60,000 were necessary to call an election, but political dickering to save former United States Senator George H. Williams from embarassment at the November election caused the petitions to be withheld, and since then it has appeared that the movement, which was an effective political club, is dead. Started when Miller was extremely unpopular, within a few months the recall encountered a public disposition to let the mayor work out his destiny.

Nearly $20,000,000 of the bond issue money has been spent, and the remainder must be handled by the present and future administrations. Much will be done in Miller's present term and he must take leadership in getting the more important projects under way. A $1,000,000 public market has been erected, a $4,000,000 courthouse is going up, numerous lesser things have been finished and other big ones begun, but many improvements remain to be started, including a badly needed $5,000,000 municipal auditorium and convention hall, a $2,600,000 plaza opposite Union Station, and $11,000,000 in street opening and paving.

For nearly fifteen years the city has been trying to get the Wabash Railway to eliminate a busy and dangerous grade crossing in the West End. More than a year ago Miller announced that he had effected a compromise to bring speedy consummation. Interested property owners didn't agree with his idea, and kept the question in the appellate courts. The mayor is expected to push this project.

Improvement of the blighted Mississippi River front of the city is another important and complicated matter pressing for solution. Miller recently organized a body of leading citizens to work for a $40,000,000 city plan commission scheme for a plaza and double-deck traffic artery. A bond issue doubtless would be necessary for this, and public confidence in the administration would be necessary for its success.

The city has begun condemnation and direct purchase of seven downtown blocks or squares between City Hall Park and the Public Library for a memorial plaza, to be surrounded by public buildings. The federal government is planning a new office and court building, and various interests have been contesting its location; the city has suggested giving it part of the plaza site. Here again is a task for the mayor's leadership.

A regional planning scheme spreading well into Missouri and Illinois, with St. Louis as the nucleus, is being hatched. Another administrative problem. Voters of St. Louis county last autumn defeated an ambitious plan to annex the county, which is entirely separate from the city, to St. Louis. Miller, an active campaigner for the plan, remarked something about "darn fools" in the county not being able to see benefits of the merger, and a misconstruction of the expression lent comfort to the enemy. The metropolitan area spreads well into the county, and there are administrative and physical difficulties to be overcome because of the divided control.

Like most other cities, St. Louis is beset with traffic trouble, and a solution of the parking and vehicle movement problems is of growing necessity.

There is money in the bond issue for a badly needed new public hospital for Negroes, but the city has not been able to locate the institution.

The efficiency board, created to hire city employees under civil service rules, is popularly supposed to have broken down into a political instrument under pressure by Miller. An old-line Republican quit as its chairman, charging as much. City employees understand that if they are not ardent Millerites they must keep a tight lip.

Miller at first was distant to the City Hall newspaper reporters, but, like his predecessor, he has learned that mayors come and mayors go, but the press is on the job year in and year out. St. Louis is wondering now where "big Vic's" ambition will lead next.

PHOENIX BUYS STREET RAILWAY FOR $20,000, ITS JUNK VALUE

BY HENRY RIEGER

City Manager of Phoenix, Arizona

The first year under city operation shows a profit on a five-cent fare. With complete rehabilitation, the system can be made a revenue producer. Estimated population, 45,000. :: :: :: :: ::

On June 4, 1925, the city of Phoenix acquired for $20,000 cash the local street railway properties, which just a year previously had been offered for $165,000 cash. The final appraisal of the properties was made by the writer, as city engineer, and was based on junk values. The street railway had been operated by private interests for a number of years, but the lines and equipment had been allowed to depreciate to such an extent that the cars were unsightly and riding very uncomfortable. The main thoroughfare, Washington Street, had become a series of holes and ruts, rendering it nearly impossible for automobiles or vehicular traffic to cross at any point with any degree of safety.

The year 1920 was the banner year under private ownership and operation as far as receipts were concerned. In that year the gross receipts were a trifle over $237,000, but by the year 1925 the receipts had dropped to $148,000. The loss is directly attributed to the increase in automobile traffic, the poor condition of the lines and the poor service rendered.

CITY FORCED TO SUPPLY TRANSPORTATION

On April 20, 1925, the private operating company formally notified the city that it would discontinue operation in six months' time, namely on October 20, 1925. The discontinuation of operation would have left the city completely without transportation facilities and the city government immediately took steps to provide a transportation system. After a thorough study of the physical condition of the street railway, the commission and the city manager were convinced that the street railway could not be made to pay a profit, and the only solution which seemed possible was a bus system. Consequently, negotiations were started for bus line operation, but on September 26, 1925, the voters defeated a bus franchise by about five votes to one.

Although the purpose in purchasing the street railway was to clarify the situation so that the streets could be cleared for buses, once the city had acquired the street railway properties there arose a great demand for operation by the city. The city accordingly began operation on November 1, and on the same day the writer took office as city manager.

It is needless to say that successful operation of the street cars seemed a hopeless task, especially in view of the fact that engineers and experts had reported that the properties could not be made to pay. Consequently it was very gratifying to find that, at the end of a year of municipal operation, the properties had made a net profit of $18,000. The year's receipts were approximately $161,000; disbursements approximately $143,000; including an item of $33,000 for maintenance. Had the lines been completely rehabilitated, at least 80 per cent of the $33,000 maintenance could have been saved. Although the corporation commission recommended, during the operation by private interests, that a seven-cent fare be charged, the city fare has been kept at five cents. A seven-cent fare would have increased the profits not less than 30 per cent, making a possible profit, under rehabilitated conditions, of approximately $57,000 for our first year. Experienced street railway men have advised that within a year after complete rehabilitation, the patronage will increase at least 25 per cent. The power bill for the year was approximately $32,000. With a completely rehabilitated system of up-to-date, light one-man cars, an additional saving of at least 25 per cent could have been made in power. The bad condition of the tracks and the extremely heavy, obsolete, four-motor cars are causes of excessive power bills. Until the city took over the operation of the lines, the private operating company had been paying 2.5 cents per kilowatt hour for power. Immediately after the city assumed control, we began negotiations with the power company for a reduction in rate. After several conferences, we were successful in arriving at a rate of 1.8 cents per kilowatt hour for the power consumed, a saving of approximately 30 per cent on power bills.

The city charter provides that eight hours constitute a working day for all employees. Under private ownership, street railway employees had been working ten, twelve and fourteen hours a day. Immediately after the city began operating the street railway, we placed all employees on an eight-hour basis and adjusted the scale of wages so that there would be no loss in salary to any. But the eight-hour basis necessitated additional help and raised the payroll between 25 and 30 per cent. Thus the saving in power costs was practically offset by the increase due to the eight-hour basic day.

FUTURE PLANS INCLUDE REHABILITATION

At the end of the first year's operation, we find the street railway system in much better physical condition than it has been for several years, but the city cannot long afford to continue unless it is entirely rehabilitated, otherwise as time goes on, the maintenance will increase to such an extent as to absorb any profits we can anticipate at this time. During the past year we have replaced innumerable ties and rails, and have re-bonded many of the rails and placed many of the crossings in a comfortable passing condition. Service on three of the main lines has been increased about 33⅓ per cent. Lines that were giving fifteen-minute service we have increased to a ten-minute headway. We now contemplate submitting a bond issue for a complete rehabilitation of the street railway and the purchase of modern, up-to-date equipment. Complete rehabilitation will require about $750,000, but after one year's operation we are convinced that the profits will retire a bond issue of this size within a period of thirty years.

Phoenix is growing rapidly and we feel that the complete revamping of the system will increase the patronage very materially. We are convinced that we can give service on a six-minute headway, or better.

Because nearly every day in the year is warm and sunshiny, Phoenix is particularly an automobile town. For the same reason the writer contends that it is an especially good street car town. We have no large rivers or deep ravines necessitating expensive bridges and there are no hills to require excessive power for the cars.

When the city took it over, the system comprised thirty-two miles of operation, but seven miles of one suburban line have since been discontinued. We now operate about twenty-five miles of track, ten miles of which is double track. The material in the seven miles over which operation was discontinued has been recovered and is being used for repairs to the other lines.

In the year 1920 the total receipts of the street railway were $237,000. In the year 1925 the receipts had dropped to $148,000 with an increase in population of approximately 15,000 in the five-year period. In the first year of city operation we have increased the receipts about $12,000 over 1925. We are now convinced that with a rehabilitated system, a five- or six-minute headway service, and an increase in population, the street railway can be made a source of revenue to the city.

NEWPORT, RHODE ISLAND, ADOPTS A MAYOR-COUNCIL-MANAGER CHARTER

BY EDWIN A. COTTRELL
Stanford University

This interesting charter, adopted by the people and subject to the approval of the legislature, is based upon the 1927 Model Charter of the National Municipal League and is in addition a conscious attempt to place in the mayor a responsible leadership for public policy and law enforcement, as well as to overcome the peculiar provisions of the Rhode Island constitution which divides the voters into taxpaying and registry groups. :: :: :: :: :: :: :: :: :: ::

NEWPORT, Rhode Island, adopted a new form of mayor-council-manager charter at the regular November election by a vote of 5,020 to 1,857. This proposal is the result of the utter dissatisfaction with the old representative council type of charter which has been in operation since 1906, and with the "ripper" procedure of the last session of the state legislature which substituted the so-called Lawton bill for the old charter. This Lawton charter took effect in January, 1927, and provides a return to the straight political party control in place of the nonpartisan principle in vogue in Newport for twenty years. The charter adopted by the people becomes effective in January, 1929, if accepted by the legislature.

"THE NEWPORT PLAN"

Newport was alone among municipalities with its representative council type of government. This provided for a council of one hundred ninety-five members, a mayor with practically no power except a partial control of the police department, and a board of five aldermen who were the administrative officers of the city. The chief failure of the large council was in attracting sufficient members to its meetings, except the opening one of the year, at which some one hundred odd municipal officials were elected. Many of these officers held seats in the council and voted on the budget and other matters affecting their own departments. There was practically no check upon the operations of the municipal departments and absolutely no centralization of responsibility at any point of the organization.

It might be of interest to state that the accounts of the city had not been audited for the past fourteen years. A pressing tax problem due to the presence of many large estates owned by summer residents who have been obtaining court decisions for the rebate of taxes, and the gradual depreciation of large resident sections of permanent citizens, brought to an issue the ineffective floundering of the past few years of municipal operation.

Two years ago the city government engaged Gaylord C. Cummin to survey the municipal operations. His report is comprehensive in its scope and generally favorable in its findings. It says of the organization that

> it is needlessly complicated; legislative and executive powers are separated theoretically, but as the legislative body elects most of the administrative officers there is an overlapping that prevents entire separation. Responsibility and authority for administration is badly scattered and diffused, *i.e.*, the board of aldermen, separately elected by the people are held responsible in theory for administration, but must work through officers responsible to the representative council for election. The mayor is responsible for police and practically nothing else, although even here is responsibility which is not clear cut, as his appointment of a police chief must be confirmed by the aldermen. Although a legal fiction exists that the aldermen are held responsible for administration, the fact remains that an officer or department head pays allegiance first to the body responsible for his election, and it is unfair to hold the aldermen responsible for administration when working through officers whom they do not appoint and whose actions they cannot control.

Although this report pointed out conclusively that there was entire lack of coöperation between the different parts of the administration and that some change was necessary, the citizens considered that nothing could be done under the existing political conditions. Finally, however, a demand was made for some logical examination into what Mr. Cummin called the "difficulties of misunderstandings, misinterpretations and needless restrictions," and an informal committee began to study the operation of municipalities elsewhere. This stirring brought about some notice on the part of the political managers and an old form of charter drawn several years before was introduced into the legislature and became known as the "Lawton Bill." This was introduced by Fletcher W. Lawton, a representative in the legislature from Newport and a member of the representative council of the city.

THE LAWTON CHARTER

The Lawton charter passed by the legislature without a referendum to the people, is a reversion under which party caucas nominations are made, old-fashioned partisan cart-tail campaigning is reintroduced, the mayor is still an impotent figurehead, the election of the five aldermen changed from at-large to wards, the council reduced from one hundred ninety-five to twenty-five, five per ward at one election for a two-year term instead of thirty-five per ward in three groups for six years each, and the unsatisfactory multiplication of inferior officers and boards is perpetuated. This bill was rushed through the legislature without adequate hearings and all formal protests to this plan and requests for a referendum from a large and very representative number of citizens who presented themselves in opposition before both house and senate committees and by address to the governor were utterly disregarded.

A Volunteer Citizens' Committee was formed which started an educational campaign for a council-manager form of charter. This committee finally persuaded the representative council to appoint an official commission of five of its members and five citizens to study charter types and report back its findings. This commission held many executive sessions at which proponents of the old representative council form, the new Lawton bill, the strong mayor, and the council-manager forms were given opportunity to present arguments for each. There were public mass meetings at which Dr. H. W. Dodds, Professor J. Q. Dealey, City Manager Holt of New London, and the writer spoke on the different charter forms. Subsequently during the campaign for adoption for the plan proposed by the commission, Louis Brownlow, formerly city manager of Knoxville, spoke frequently.

LEAGUE'S MODEL CHARTER USED

The official commission had presented to it the tentative draft of the new model charter of the National Municipal League with adaptations to fit the peculiar conditions of the Rhode Island constitution. The whole proposal of the league charter was considered by the commission too bulky for consideration by the people and members of the legislature, or too advanced in some of its proposals, and many of the provisions were eliminated or reduced in space.

The charter finally presented to the representative council by the commission, and by it submitted to the people and adopted at the election, provides for a mayor and school committee elected by all the registered voters of the city. The mayor is to be the head of the police department, which is now the practice, and which was continued for political expediency. The council of five members is elected at large by those voters who can qualify under the provisions of the Rhode Island constitution "that no person shall at any time be allowed to vote in the election of the city council of any city, or upon any proposition to impose a tax or for the expenditure of money in any town or city, unless he shall within the year next preceding have paid a tax assessed upon his property therein, valued at least at one hundred thirty-four dollars. If this tax is not paid within seven days of an election, the person's name is transferred from the taxpaying list to the registry list and the person votes only on general officers and not the council or state legislative nominees. In the Newport registration, very nearly one-half of the voters are of the non-taxpaying class.

The council elects a clerk, solicitor, registrar of voters, judge of probate, probate clerk, funds commission, board of examiners, tax assessors (three instead of one as proposed in the draft, and again for political expediency), and the manager. The manager appoints the heads of the departments of finance, safety, works, welfare, personnel, the members of the city planning board and at his discretion an advisory board for each department.

The manager also acts as purchasing agent of the city. The finance department consists of the division of audits and accounts and treasury. The safety department includes fire, inspection, and harbor. Works department has streets, sewers and wastes. Welfare includes health, parks, recreation, poor relief, sealer, and coroner. A personnel board is created consisting of the personnel director, a member elected by the council and one elected by the employees of the city. The provisions of the personnel department and the financial provisions of the model charter are followed verbatim except that the commission omitted those sections providing for scientific appraisal of property, a procedure much needed but feared in Newport.

BOARD OF EXAMINERS AN INNOVATION

An interesting innovation in charter provisions is the creation of a board of examiners to consist of five electors qualified by training and experience in the fields of business and professions similar to those undertaken by the city departments. This board is elected by the council on the first Monday in January and serves one year without pay. Its duties are to make an examination of all the work of the city, including the school department, and to make a report on its findings. It may undertake special investigations when ordered to do so by the council. It has powers of examination of all records, to subpœna witnesses, administer oaths, and take testimony. In practice it is a sort of grand jury or finance commission investigation of public business for the discovery of factual information for the citizens.

Sometimes an omission must be filled without much time or thought. Such appears in the section on the Powers of the Council. An all inclusive blanket provision granting the necessary powers under the laws of the state was originally presented in the proposed charter draft. This was apparently not satisfactory to the commission and somewhere from the dark ages section seven of the adopted plan appeared. It provides, among other things usual to such a section, for regulation, "to taverns, cookshops, oyster houses, and all places of entertainment; to public shows, entertainments, exhibitions, and spectacles; . . . to foot or sidewalks in the streets, and to posts, gutters, drains, signs, steps, cellar doors, windows and lamps therein"; . . . Modern powers of a council are practically overlooked in this limiting provision.

The time for the campaign for adoption was barely one month from the date the commission reported back to the council and the regular day of election. A particularly vigorous chairman and committee published and distributed forty thousand pieces of literature including a copy of the text of the charter in full; *The Story of the City Manager Plan* published by the National Municipal League; a history of the manager movement in Newport; a story of the manager plan elsewhere; the plan in brief; the plan analyzed with objections answered; a sample ballot; many advertisements in newspapers; window cards and banners. The literature is well written and was most effective in its presentation of the facts. The chairman and committeemen are to be congratulated on their literary contributions to the manager movement. The two local papers and the Providence papers gave liberal space to reports of the meetings and explanations of the plan. The charter provisions were printed in full in both local papers. Editorials in both Newport and Providence papers upheld the principle of home rule and advocated business management in municipal government.

There were in addition to the speakers mentioned above in the preliminary campaign during the summer, many local speakers who appeared before every civic organization and at all the cart-tail and mass rallies of both political parties. One debate was held before the women voters and the proposed charter was supported by Louis Brownlow and opposed by a local lawyer solely on the principle that it perpetuated the property qualification for voting.

INTEREST ELSEWHERE —PASSAGE BY LEGISLATURE

Other cities in Rhode Island, including Pawtucket, Woonsocket and Westerley, are considering adopting the council-manager plan. The committees in these cities became discouraged when it was found that the usual manager plan could not be adopted under the present provisions of the state constitution. It is hoped that the new proposal adopted by the people of Newport will encourage them to reopen their campaigns and appear unitedly before the legislature with similar plans for adoption. There will be serious opposition in the coming session of the legislature. The author of the Lawton bill, under which officers are already elected for the next two years, is a resident of Newport, one of its representatives in the legislature, and above all holds the important position of chairman of the judiciary committee of the house before which the charter must appear. It was this same chairman and committee which forced the present condition on the city at the last session of the legislature.

However, an added situation has arisen in the fact that the party in power in the state has now gained control of the board of aldermen and council under the new charter passed last year. The opposition party won the mayoralty and keeps control of the police department. The expression of the people on the mayor-council-manager plan of 6,877 votes out of a total cast for governor in the city of 8,807, and a clear majority in every voting precinct of the city, with a ratio of approximately three to one in its favor, clearly shows the feeling of opposition to the Lawton charter and a keen desire to become the pioneer in Rhode Island of the well-established businesslike form of government provided in the new charter proposal. Home rule or even a referendum is denied the cities of Rhode Island under the practice of the legislature. Now an opportunity appears for the legislature to accept a scientifically drawn charter adapted to local needs and state constitutional and statutory limitations. It cannot be worse than the old or present forms and the legislature would be wise to give it a trial especially when it comes backed by a clear demand on the part of the citizens of Newport.

THE BUDGET IN THE COMMUNES OF FRANCE

BY A. E. BUCK

National Institute of Public Administration

Municipal budget practice in France differs from ours in several important respects. :: :: :: :: :: :: :: ::

An interesting book recently published in Paris treats the budget and budgetary procedure in the communes of France.[1] This book sets forth in a succinct manner the communal budget methods and gives a comprehensive discussion of local revenues and expenditures. A brief outline of these methods and some comparison with the municipal budget practices in this country may not be amiss at this time.

Communal budget methods are defined by the great municipal law of 1884, which is a revision of earlier laws dating back to the time of the Napoleonic régime. With a few minor modifications, the law of 1884 is still in force at the present time. Since the provisions of this law are generally applicable to all communes, the legal side of budgeting becomes a more or less simple matter. Anyone writing on the communal budget does not, therefore, have to contend with widely varying state laws and local ordinances, as would be the case if he were writing on the municipal budget in this country. He does not have to work through a maze of conflicting legal provisions and practices pertaining to local budgeting and try to establish some budgetary norm. In this respect, the budget of the French communes is a simpler problem than the budget of American cities.

The budget is defined as follows: *Le budget est un état qui présente les prévisions de recettes et de dépenses afférentes à un exercice,*—The budget is a statement which presents the forecasts of receipts and expenditures belonging to a fiscal period. The *exercice* is the period legally fixed for the execution of the budget; it begins on January 1 and ends on December 31, but an additional three months are allowed, or until March 31, to terminate the financial operations begun during the period proper. Hence, this period may be regarded as extending over fifteen months, the last three of which overlap on the succeeding period.

FORM OF BUDGET DOCUMENT

As a document, the original budget (*budget primitif*) prepared by the mayor has a very definite form. It has two major divisions, called titles, the first one containing the anticipated receipts or income, and the second one the estimated expenditures. The receipts are divided into two chapters, the ordinary and the extraordinary. The expenditures are divided likewise. Finally, the chapters are divided into articles, showing the general character of the receipts and of the expenditures. The expenditures are shown as belonging to two categories, obligatory (*dépenses obligatoires*) and optional (*dépenses facultatives*), which are largely arbitrary groupings determined by legal provisions.

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[1] Charles Sol, *Le Budget Municipal.* Published by Crété, 2, Rue des Italiens, Paris, 1925. Pp. vii, 595. This book is well written and thoroughly practical in its approach to the subject. The author has had considerable experience in municipal affairs, having been chief clerk to the mayor of Brest and also mayoral secretary of Chalons-sur-Marne. Jean Maillard, mayor of Pavilly, has written a preface to the book.

Title I, Chapter I of the budget contains the ordinary receipts of which there are about 60 items; Chapter II contains the extraordinary receipts, an additional score of items. Following this is a recapitulation and total of receipts. Title II, Chapter I contains the ordinary expenditures consisting of some 95 items; while Chapter II contains about a score of items of extraordinary expenditures. The ordinary expenditures are classified as costs of administration (*frais d'administration*), upkeep of communal properties (*entretien des properiétés communales*), poor relief and health (*assistance et hygiène*), public instruction (*instruction publique*), urban roads or streets (*voirie urbaine*), parish roads (*voirie vicinale*), rural roads (*voirie rurale*), and miscellaneous expenses (*dépenses diverses*). The extraordinary expenditures are debt service (*service de la dette*), and accidental and temporary expenses (*dépenses accidentelles et temporaires*). The expenditures are recapitulated at the end of the two chapters. Then follows a general recapitulation which summarizes all expenditures and all receipts and shows the resulting surplus or deficit.

The budget form provides five columns for the listing of the various items under both receipts and expenditures. The first column is for the listing of the receipts or the expenditures, as the case may be, which were ascertained by the last financial report (*dernier compte*). The next column is for the recommendations of the mayor with reference to proposed receipts or expenditures, the third column is for similar recommendations by the municipal council, and the fourth column is used likewise by the subprefect when the budget leaves the council and passes through his hands on its way to the prefect. The fifth column is for the prefect to enter his allowances in the case of both receipts and expenditures when he approves the budget. An additional column is added for comments.

The communal budget is prepared by the mayor and sent to the council in May of each year. This document (*budget primitif*) contains the financial plan of the chief executive of the commune for the succeeding fiscal period. Upon its receipt, the budget is turned over to a council committee on finances. It is accompanied by a financial report (*compte administratif*) from the mayor, covering the preceding fiscal period. The budget is carefully examined by the committee in the light of this financial report, after which the committee makes its recommendations to the council as a whole in a summary report. The council then takes formal action on the budget; in doing so, it may increase or decrease any of the items in the mayor's recommendations. The budget is usually passed by the council at the May session; although it may be acted on at a latter session. It must, however, be passed so it can be finally approved by the prefect before the beginning of the fiscal period to which it relates.

REVIEW BY PREFECT

After the communal budget has been passed by the council, it is sent by the mayor to the subprefect of the arrondissement, which is an administrative division between the commune and the department. The subprefect examines the budget and may, within certain limits, recommend changes in it. He then sends it to the prefect of the department, an officer somewhat analogous to the governor of one of our states. The prefect examines the budget, makes such changes as he may think necessary under the law, and fixes (*arrête*) it, whereupon it is returned to the mayor. The prefect may omit or reduce either the obligatory or the optional expenditures. If the revenues of the commune are in excess of 9,000,000 francs, the budget must be approved by the president of the Republic on the proposition of the minister of the interior. Cities with a revenue of more than 100,000 francs are required to publish the budget; other cities may do so.

Since the budget (*budget primitif*) is based on the accounts of the fiscal period one year removed from the period to which it applies, that is, the 1927 budget is prepared and adopted in 1926 and is based on the accounts of 1925, it often becomes necessary to readjust the budget plan during the course of its execution. This is done by means of the so-called additional chapters (*chapitres additionnels*), or the supplementary budget (*budget supplémentaire*). As soon as the accounts have been closed for the fiscal period just preceding the one covered by the budget, that is, soon after March 31, the exact condition of the communal finances is known. If there is a surplus of receipts over and above the amount estimated in the budget, it may be appropriated by the communal council through the passage of a supplementary budget. This budget follows the general form of the original budget; it may be voted at any time during the year to which the latter budget applies. The supplementary appropriations are usually set up in the communal accounts under the head of "special authorizations."

EXECUTION OF BUDGET

The execution of the communal budget is subject to rigid regulations. As pointed out above, the mayor is required to submit to the municipal council each year with his budget, a statement of the financial condition (*compte administratif*) of the commune for the fiscal period just closed. This statement covers both receipts and expenditures and is presented in the order of the chapters and articles of the budget. It is in the nature of a comprehensive operation statement. It shows in parallel columns with reference to receipts, their nature; the amounts fixed by the provisions of the original budget (*budget primitif*), the supplementary budget (*budget additionel*), and the special authorizations; the amounts produced after various deductions have been made; the receipts actually received during the fiscal period; and the remainder to be collected. With reference to expenditures, it shows in parallel columns their general character; those allowed by the original budget, the supplementary budget, and special authorizations; the sum total of appropriations (*des crédits*); the amounts paid from these appropriations during the fiscal year, and during the three months following the end of the fiscal year; and the balance remaining unexpended. At the end of the statement a balance is struck between the receipts and the expenditures and the resulting surplus or deficit is shown. Accounts are kept which will readily furnish the information contained in this statement.

AMERICAN PRACTICE COMPARED

Communal budgetary procedure has several features of interest from the American standpoint. It is regulated by a single law, the great municipal code of 1884. It is practically uniform for the 37,000 communes, consisting of all the cities, towns, and rural areas of France.

The fiscal year is identical with the calendar year and applies to all the communes. Subsequent to the end of the fiscal year, three months are allowed for the termination of the year's business. To us, this may seem to be an unnecessarily long period. By a system of accounting which provides for encumbrances, many of our cities are able to know on the first day of the fiscal year the free balance applicable to that year's budget.

No attempt is made to classify the financial data in the communal budget except along the most general character or functional lines. The classification which we regard as being essential for accounting and informational purposes, namely, the classification along object lines, does not appear in the communal budget. However, this budget places great emphasis on the income side, which is almost entirely neglected in many of our city budgets. As our tax problems become more pressing, we shall no doubt come to follow the French method of determining the revenues first and then fixing the expenditures accordingly, instead of the reverse order as at present.

The communal budget is enacted into law in the same detail that it is presented to the council, that is, it is not only the budget but also the revenue and appropriation measures as well. All are combined in the same document. In our city budgets, the tendency is to give more details for informational purposes than it is necessary to enact into law, hence the need for discriminating between the budget document and the legal measures to carry it into force.

The approval of the communal budget by higher executive authority, of course, has no counterpart in this country. However, a few of our states have established certain supervisory control over local budgets in such matters as form, general procedure, and provisions for debt service.

Finally, the communal budget is based upon information derived from a system of local accounts which reflects every step in the execution of the budget. In this way, every budget interlocks with the preceding and subsequent ones and forms a definite link in the financial experience of the commune. The lack of such procedure is perhaps the weakest point in the budgetary methods or our city governments; our municipal budgets are not closely tied up, as they should be, with the actual accounting and financial reporting of the fiscal year. Our city authorities too often prepare a budget, adopt it, and then forget that they have it until it is time to prepare the next one.

MUNICIPAL VEHICLE TAXATION

BY MAXWELL N. HALSEY

Albert Russel Erskine Fellow, Harvard University

Cities in eleven states are experimenting with a wheel-tax to help pay the mounting costs of government. :: :: :: :: :: ::

THE municipal vehicle tax situation has assumed considerable importance in the last few years, due chiefly to two factors: the rise of the automobile in the economic world, and the search of municipalities for additional sources of revenue. The history of the automobile is a comparatively recent one and it is only within the last decade that it has really come into its own. Motor vehicle production rose from 6,000 in 1910 to 4,500,000 in 1925, when motor vehicle taxes amounted to $666,944,344.98. The following year the wholesale value of cars and trucks totaled $3,056,950,000 and motor vehicle taxes were $735,225,000.[1] This increase greatly stimulated vehicles as a base for taxation. Coincident to this rise came the increase in municipal expenditures with the necessary demand for greater revenues. Municipalities in their search for new fields of revenue were attracted by the increasing prominence of motor vehicles. Since it was claimed that vehicles add to municipal costs by street wear, additional police, installation of expensive signs and signals, etc., cities did not hesitate to attempt to tap this newly developed reservoir of wealth.

This discussion is concerned strictly with the "wheel-tax" and not the other forms of municipal vehicle taxation such as the personal property tax. The "wheel-tax" is essentially "license" in nature. It consists of an annual municipal license fee levied in addition to the state tax and is based upon either the capacity or horsepower of the vehicle. The subject of such taxation consists of machines, horse-drawn vehicles, or trucks privately owned by residents of the city, and not commercial vehicles for hire. From the very beginning the state assumed a tax power which resulted in the registration tax or fee. With the addition of a new tax by a political subdivision, conflicts soon arose.

STATUTORY PROVISIONS

The reactions of the state can best be followed by a close inspection of its statutes upon the subject.

At the present time some twenty-five of the states have considered vehicle taxation as being reserved strictly to the state and have passed laws definitely prohibiting municipal vehicle taxation. The following statutes exhibit the three types of prohibition: Idaho provides: "The registration fee imposed by this chapter upon motor vehicles other than the registration fee required of dealers and manufacturers, *shall be in lieu of all other taxes thereon*, general or local, and any such motor vehicle properly registered and for which the required fee has been paid, shall be exempt from taxation."[2] New Jersey provides: "*No owner or purchaser or driver* of a motor vehicle

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[1] *Facts and Figures of the Automobile Industry*, 1926, by National Automobile Chamber of Commerce, p. 6, 10; *Preliminary Facts and Figures of the Automobile Industry for 1926*, by National Automobile Chamber of Commerce.

[2] Idaho, *Idaho Compiled Statutes*, 1919, ch. 69, § 1602, p. 69.

Classification of States[1] According to Authorization of Cities to Levy a Wheel-Tax

Prohibited	Authorized	No authorization	Tax
Alabama			No
Arizona			No
	Arkansas		Yes
		California	*
Colorado			No
		Connecticut	*
		Delaware	*
Florida			No
Georgia			No
Idaho			No
	Illinois		Yes
	Indiana		Yes
Iowa			No
Kansas			No
		Kentucky	Yes
	Louisiana		No
		Maine	Yes
Maryland			No
		Massachusetts	Yes
Michigan			No
	Minnesota		No
Mississippi			No
	Missouri		*
		Montana	*
		Nebraska	Yes
		Nevada	*
New Hampshire			No
New Jersey			No
New Mexico			No
New York			No
	N. Carolina		Yes
N. Dakota			No
Ohio			No
Oklahoma			No
		Oregon	*
Pennsylvania			No
Rhode Island			No
S. Carolina			No
		S. Dakota	Yes
		Tennessee	*
Texas			No
Utah			No
		Vermont	No
		Virginia	Yes
		Washington	Yes
W. Virginia			No
		Wisconsin	No
Wyoming			No
25	7	16	No, 29 Yes, 11 * 7

* No information available

who shall have complied with the requirements and provisions of this act shall be required to obtain any license or permit to operate the same."[2] Colorado provides: "*No city or town* shall require of any person any license fee for any motor car or trailer in addition to the registration fees to be paid to the secretary of the state or his agents, as provided for in this act."[3] The state statute either makes the state tax exclusive, exempts vehicles from further taxation, or prohibits political subdivisions from taxing them. Such prohibition does not affect the taxing of commercial vehicles for hire and they are generally taken up under a different section or division.

In seven of the states the opposite view has been held, and municipalities have been specifically authorized to tax private vehicles. Arkansas, for example, provides: "Cities of the first class are *authorized* to require residents of such cities to pay a tax for the privilege of keeping and using wheeled vehicles, except bicycles, but such tax shall be appropriated and used exclusively for repairing and improving streets of such city."[4] The statute sometimes includes cities of the first, second, and third classes, but there is usually the provision that the proceeds shall go to street repair and improvement, which seems to follow out the theory upon which the tax is based. The above case represents an example of the demand of a city resulting in state authorization.

The remaining sixteen states either have not considered the problem of sufficient intensity to pass a law in regard to it, or are satisfied to let the cities tax such vehicles under their general tax power. Whenever a conflict arises the case is taken to court and settled by an interpretation of the state constitution in regard to the city's tax power. In six states the tax is found without specific authority, while in the remaining ten the courts have either decided against it or have not been faced with a problem requiring settlement. The above cases represent the three stands taken by the different states, and although there is considerable variance among them the actual results will fall into one of the classes mentioned. By way of illustration it would be best to consider Illinois, which is probably the leading state in this new form of taxation.

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[1] Materials gathered from state statutes and checked by letters from the secretaries of the states.

[2] New Jersey, *Cumulated Supplement to Compiled Statutes*, I, 1911–1924, § 135–64, (2), p. 1995.

[3] Colorado, *Compiled Laws of Colorado*, 1921, ch. 33, § 1341 (c), p. 2031.

[4] Arkansas, *Digest of the Statutes of Arkansas*, 1921, ch. 127, p. 2031.

THE SITUATION IN ILLINOIS

Illinois falls into the classification of those states which have a statute in regard to the subject. Chicago, Evanston, Willamette, and Oak Park are the cities in which the tax has attracted considerable attention. For the purpose of this article Chicago will best explain the situation. The present tax is based on an act of the legislature in 1907 [1] which authorized the city to levy a tax on vehicles. The city ordinance adopted in 1908 provides as follows: "It shall be unlawful for any person, firm or corporation residing within the city of Chicago, to use . . . any motor vehicle upon the streets . . . of the city unless . . . licensed as herein provided. . . ." [2] This calls for the payment to the city clerk of annual fees in accordance with the following schedule:

One-horse wagon or vehicle	$5.00
Two-horse wagon or vehicle	10.00
Three-horse wagon or vehicle	15.00
Four-or-more-horse wagon or vehicle	30.00
Motor-bicycle or tricycle	3.00
Passenger automobile, motor ambulance or hearse—35 horsepower or less	10.00
Passenger automobile, motor ambulance or hearse—more than 35 horsepower	20.00
Auto delivery vehicle or trailer—capacity of one ton or less	15.00
Auto truck, bus, coach or trailer—capacity over one ton	30.00

COMBINED WHEEL-TAX SCHEDULES OF CHICAGO, EVANSTON, WILLAMETTE AND OAK PARK, ILLINOIS

(Unit—$ per year)

Vehicles	Chicago	Evanston	Willamette	Oak Park
Private Passenger Cars:				
35 horsepower or less	$10.00	$5.00	$5.00	$5.00
More than 35 horsepower	20.00	10.00	10.00	10.00
Electric	....	5.00	....	5.00
Commercial—For Hire:				
35 horsepower or less	....	10.00	....	10.00
More than 35 horsepower	....	20.00	....	20.00
Taxicabs	....	....	10.00	....
Trucks (Delivery, etc.):				
Capacity one ton or less	15.00	15.00	....	15.00
Electric one ton or less	....	15.00	....	....
Two tons or less, above one	....	20.00	10.00	30.00
Auto trucks, buses in excess of two tons	....	30.00	....	....
Electric excess two tons	....	30.00	....	....
Auto bus, truck, trailer one ton or more	30.00	....	....	....
Motor Cycle	3.00	5.00	5.00	3.00
Horse-drawn Vehicles:				
One-horse	5.00	2.50	3.00	5.00
Two-horse	10.00	5.00	5.00	10.00
Three-horse	15.00	15.00	8.00	15.00
Four-horse	30.00	....	....	25.00
Six-horse or more	....	....	....	35.00
Milk wagon	....	....	5.00	....
Ice wagon	....	....	10.00	....
Additional wagons, each	....	....	2.00	....

NOTE.—Compiled from actual schedules for 1926.

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[1] Illinois, Law of Illinois, 1907, ninety-sixth, p. 43.

[2] Chicago, Chicago Municipal Code, 1922, art. xvii, 4064, p. 1110.

"All revenue derived from such license and transfer fees shall be kept as a separate fund and used for paying the cost of street and alley improvement and repair."[1] It is apparently intended by this process to have the vehicles which wear out the streets pay for their improvement and repair. The income from such revenue has increased from $440,253.93 in 1908 to $4,186,886.00 in 1926 (see table).

Chicago Wheel-Tax Income by Years[2]

Year	Collections
1908	$440,253.93
1909	504,197.75
1910	566,191.57
1911	591,147.08
1912	603,282.70
1913	682,135.10
1914	730,536.81
1915	768,027.78
1916	992,717.86
1917	1,135,650.76
1918	1,134,761.17
1919	1,368,940.68
1920	1,075,325.39
1921	2,132,790.94
1922	2,534,822.44
1923	3,080,224.85
1924	3,562,458.00
1925	3,883,886.00
1926	4,186,886.00*

* Based on estimate of superintendent of the city's license bureau.

Machines so licensed are furnished by the city clerk with a metal plate setting off the year and the class to which the vehicle belongs. These must be carried in a conspicuous place on the vehicle. It is noteworthy that the ordinance only concerns the vehicles owned by residents of the city and not those outside who frequently find it necessary to pass through Chicago. The advocates of the tax point to this example as to just what can be done, and at present seem to have quite a grip on the situation in Illinois. On the other side we have those who condemn it as double taxation and so the battle goes on.

BOSTON'S PROPOSED PARKING TAX

As indicative of the attempts of the city to utilize cars for income, the comparatively recent attempt at a parking tax in the city of Boston, Massachusetts, is interesting. Whereas the "wheel-tax" is a fee for running a vehicle, the parking tax is a fee for standing it. In 1926 the Special Committee on Municipal Revenue, appointed by Mayor Nichols of Boston, advised the imposition of a $5.00 per annum tax for the privilege of parking on any of the streets within the limits of the city. At the public hearing upon this proposal opposition developed and the matter was temporarily dropped.

From the above it is possible to get a fair idea of the how and the why of the so-called "wheel-tax." At the present time the subject is a live one, and with the development of the automobile as a legitimate subject of taxation statutes in regard to it have aroused considerable attention in the last decade. As the vehicle mounts in importance and municipal costs climb, legislatures will follow their natural bent and settle the matter one way or another. Should such an increase in legislation follow it is quite possible that some general principle will become established. This would come as quite a welcome change to the present condition of legislative chaos.

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[1] Chicago, Chicago Municipal Code, 1922, art. xvii, 4071, p. 1112.

[2] Materials from department of public works.

THE BICAMERAL PRINCIPLE IN THE NEW MEXICO LEGISLATURE[1]

BY JOHN E. HALL
Northwestern University

The possibilities latent in the bicameral system when one party dominates the senate and the other the house. The results justify the National Municipal League's proposal contained in our Model State Constitution for a single-chamber legislature. :: :: :: ::

When the earliest state constitutions were adopted, the bicameral principle had long been in operation in all but three or four of the colonies, now coming to be called states. It had become almost universal as a result of political antagonisms which sooner or later developed between the aristocratic and democratic elements within the colonial legislatures. By giving each of these elements a check upon the legislative activity of the other, bicameralism seemed to offer a fairly satisfactory *modus vivendi* throughout most of the colonial period. Practically all the states which have since been added to the original thirteen have adopted the bicameral system with little or no careful balancing of the relative advantages of single-chambered and double-chambered law-making bodies. Vermont stands out as the one notable exception. There the unicameral legislature endured until 1836; and the story of its operation and eventual abandonment remains yet to be written.[2]

Within the past ten or twelve years, however, the utility of the bicameral legislature as an instrument of democratic government has been vigorously challenged. Two carefully prepared studies of the operation of the bicameral principle in three states have appeared, the conclusions to be drawn from which are, on the whole, distinctly unfavorable to the bicameral system as exemplified in our state legislatures.[3]

The author of the present study was a member of the Seventh State Legislature of New Mexico (1925), and thus had an opportunity to study the operation of the bicameral principle at first hand.

CALIBER OF UPPER HOUSE HIGHER

The New Mexico legislature is numerically small, inasmuch as the state is young and sparsely settled. The senate has only twenty-four members and the house forty-nine. These numbers are definitely fixed by the constitution,[4] and there is no provision for increasing the membership by redistricting as the population increases. Senators must be twenty-five years of age at the time of election; representatives must be twenty-one. In other respects the qualifications for membership in the two chambers are the same. Furthermore, identical voting qualifications are prescribed for the electors who choose the two bodies. The geographical districts from which senators and representatives are elected overlap in many instances, and in others, the boundaries of the two districts coincide. The members of the respective chambers thus do not represent essentially different constituencies —a reason frequently put forward in other countries, and in this country at a much earlier date, as a justification of bicameralism.

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[1] This article was awarded the second prize ($100) in the Harris Political Science essay contest in 1926.

[2] See T. F. Moran, "Rise and Development of the Bicameral System in America," *Johns Hopkins Univ. Studies in Hist. and Pol. Sci.*, XIII (Baltimore, 1895).

[3] The studies referred to are D. L. Colvin's *The Bicameral Principle in the New York Legislature, 1910* (1913), and May Wood-Simons' "The Operation of the Bicameral Principle in the Illinois and Wisconsin Legislatures," *Illinois Law Review*, XX, 674–686 (Mar., 1926). Recent activity in favor of unicameral state legislatures is summarized in Ogg and Ray, "*Introduction to American Government,*" (1926) pp. 631–2.

[4] Art. IV, sec. 3.

The members in 1925 were of many professions and occupations. In the senate were three lawyers, four stockmen, five merchants, two editors, two doctors, two real estate men, two ministers, one mine-owner, and one automobile salesman. The senator from Quay county was a railroad conductor and a member of the Brotherhood. Two of the lawyers were outstanding men in their profession in the state. In the house there were thirteen farmers, six stockmen, two editors, one author, one law student, two housewives, four lawyers, four merchants, three real estate and insurance men, three clerks, one teacher, one lecturer, one mechanic and seven representatives of miscellaneous calling.[1] Seven of the senators had had previous legislative experience. Ten members of the house also had had legislative experience in New Mexico and one each in Illinois and Missouri. There were twenty-one members of the house who were of Spanish descent.

It can fairly be said that the caliber of the members of the senate was superior to that of the house. In the upper chamber was found a larger proportion of professional men, of college trained men, and of members who had had previous legislative experience. The senate was also composed of older and more mature men.

THE TWO HOUSES DIVIDE PARTY CONTROL

Another phase to be considered before taking up the actual work of the legislature is the political atmosphere in which the two chambers functioned, in other words, the party alignment. The returns of the elections of 1924 gave certificates of election to twenty-four Republicans and twenty-five Democrats in the house; and to thirteen Republicans and eleven Democrats in the senate. One of the Republican senators, however, died on the third day of the session, leaving the Republicans in control of the senate by one vote. The Democrats had control of the house by the same margin. Governor Hannett, Democrat, was elected, on face of the returns, by only 199 votes. It is not surprising, then, that "quo warranto" proceedings were filed against him by his opponent.

These party divisions were naturally reflected in the organization of the legislature. There were thirteen standing committees in the senate with membership ranging from four to ten each. The ratio of party representation on the committees was two to one, thus giving the Republican complete control of all the committees. These committees handled all the business of the senate until the eleventh day before adjournment, at which time a steering committee was created, consisting of six Republicans and four Democrats. At the time of its creation, the senate adopted a resolution which ordered that "all bills in the possession of the chairmen of the standing committees be delivered to the chairman of the steering committee who will be in charge of the calendar until the end of the session."[1]

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[1] *Biennial Report of the New Mexico Joint Legislative Board of the Transportation Brotherhoods.* (Santa Fe, 1925), pp. 30–31.

In the house there were fourteen standing committees, appointed by the speaker, with membership ranging from six to eight. As in the case of the senate, the speaker appointed, on the tenth day before adjournment, a steering committee of twelve members, consisting of eight Democrats and four Republicans; and all standing committees were then automatically relieved of further consideration of bills. This steering committee wielded much power in the closing days, and must be held responsible for much of the turmoil which characterized the last hours of the session. The committees of both houses were powerful and, at times, highly arbitrary in their conduct. As no specified time was set for their meetings, they convened only upon the call of the chairmen. No calendars were kept, and no minutes of the proceedings were preserved. Furthermore, there is nothing in the state constitution or in the rules of either house to compel a committee to consider or report a bill. As a result, many bills were deliberately smothered or pigeonholed in committees. Most of the committee meetings were held in the forenoon, although there were a few evening meetings. They were open to any and all members who cared to appear in behalf of their pet bills. By a vote of the committee, counsel and witnesses were allowed to appear in behalf of, or in opposition to, any bill before the committee. In a few instances such wide interest was aroused in certain bills that advance notice of open and public hearings on such bills was given. Such hearings were held on the national guard bill, the bill to regulate commercial bus lines, and on the question of ratifying the Child-Labor Amendment. Open joint-committee sessions were held on the conservancy district bill and on the education code. These were the only instances where committees from the two chambers met for open joint hearings.

With the control of the legislature thus evenly divided, it might seem that a healthy rivalry would exist between the two chambers, and that each would eagerly scrutinize and revise the work of the other, for both political parties were active, aggressive, and eager to gain public favor for the ensuing elections. The sharply contrasted party divisions in the two houses served to bring out strikingly certain unfortunate possibilities inherent in the bicameral system. Because of their narrow margin of control, the Democratic house majority undertook to oust three Republicans, two of whom held certificates of election from San Miguel county and the third from Guadalupe county, this action being based upon charges of wholesale corruption in those counties. The question of the right of these three members to hold their seats was referred to the committee on elections, which went to Las Vegas, the county seat of San Miguel, took testimony of witnesses and heard counsel. The entire house sat until midnight one evening as a committee of the whole to hear additional testimony and counsel for both contestants and contestees. After eighteen days of careful study the committee recommended that two of the contestees be unseated. The recommendation was adopted by the house on a straight party vote of 25 to 24. On the twenty-third day of the session the committee on elections recommended that the third member be unseated. This member, Mrs. R. R. Larkin, was one of three women in the house who held certificates of election. She was president of the State League of Women Voters, and was a very capable and influential member. But she was the victim of unfortunate circumstances; the forgery which gave her a certificate of election was perpetrated without her knowledge. It was therefore only after a careful study of the facts that she was unseated, and the state lost much in being deprived of her services.

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[1] The printed sources used in the preparation of this paper are the *Journals* of the house and senate; the Statutes of 1925, and copies of the house and senate bills.

POLITICAL ANIMOSITIES HIGH

The Republican members felt that they had been the victims of steam-roller tactics, and political animosity rose to a white heat. They found some consolation in the action of the senate which soon staged a hasty reprisal. On the day following the unseating of Mrs. Larkin, the senate elections committee introduced a resolution to unseat two Democratic senators, who, it was alleged, had been illegally elected. The resolution charged that several hundred votes which had been credited to the contestees were illegal and void because of stickers attached to the ballots. Under the laws of the state, stickers have the effect of mutilating the ballot and thus rendering it void. These stickers were not used merely by or for the contestees, but were placed on all the ballots in that senatorial district by the county clerk to obliterate the name of a progressive candidate for state treasurer who had withdrawn from the race. Thus, the ballots cast for the contestant were also mutilated and void. No previous warning of this contest action had been given, and even the Democratic members of the elections committee did not see the resolution before it was introduced. No answers to the charges against the contestees were heard, no testimony of witnesses was introduced, and debate on the floor of the senate was suppressed by a ruling of the chair. Here, the steam-roller was functioning at its best. Under a storm of protest and amid confusion the resolution was passed in less than one hour after it had been introduced by the Republican members of the committee. That this action was clearly a reprisal against the house is shown by a section in the resolution which states that "It seems . . . to be true that the eviction of said representatives finally resulted from political dragooning." There may have been some merit in the senate contests, but there was certainly no justification for the hasty disposition of them. The liberal members of the party in the state were disgusted at this action of the senate and characterized it as "atrocious." Political hatreds by this time were at a boiling point, and there was still more fire ahead.

The Democratic house retaliated by starting impeachment proceedings against Lieutenant-Governor Sargent for illegally opening ballot-boxes in Rio Arriba county. This was a cheap and undignified political gesture, for, under the circumstances, the Republican senate would not have ousted their president even if the house had sustained the charges and had passed the resolution. A few days later this matter was dropped by the house without putting it to a vote. But while it was before the house, it aggravated an already bad situation, and widened the breach between the two chambers. This continual political warfare and sniping consumed the first twenty-two days of the session; practically no bills were passed during that period. As the discord between the two chambers seemed likely to continue and thus prevent the two bodies from coöperating on any important legislation, many members urged that the legislature adjourn *sine die*. It is important that the reader bear this partisan situation in mind, for it inevitably colored and affected the product of the legislative mill.

ARGUMENTS FOR BICAMERAL BODY TESTED BY EXPERIENCE

Having seen something of the unfortunate extent to which party divisions were accentuated by the two-chamber system, we may next take up the two principal arguments advanced in support of the bicameral system in this country and apply them to the work of the New Mexico legislature in 1925. These stock arguments are: (1) that a second chamber insures a jealous examination and a critical revision of the bills of the other chamber; (2) that a second chamber affords a check on hasty, ill-considered, and otherwise undesirable legislation because the period of delay interposed by the required concurrence of the second chamber facilitates the exposure of defects in proposed legislation.

First, let us examine rather minutely the work of the senate as a revising agency. A total of 387 bills were introduced in the two chambers, and of this number, only 18 were duplicates, *i.e.*, identical bills introduced in both chambers. Of this total, 249 bills originated in the house and 138 in the senate. Owing to the acrimonious and partisan contested-election proceedings which absorbed the attention of the legislature during the first half of the session, only 95, or 39 per cent, of the house bills and only 40, or 29 per cent, of the senate bills were introduced during that period. This contributed largely to the congestion and confusion marking the closing days of the session. There was a corresponding inactivity in *enacting* the bills which appeared early. During the first thirty days, or first half of the legislative session, a total of only 3 bills passed both houses and went to the Governor.[1]

THE SECOND CHAMBER AS A REVISING AGENCY

A total of 177, or 71 per cent, of the bills originating in the house, were passed by that chamber; and a total of 90, or 65 per cent of the bills originating in the senate, passed that body. Of the 177 house bills sent to the senate, 98, or 55 per cent, passed the second chamber. Of this number 34, or 34 per cent, passed the upper house in amended form and 64 passed unchanged. Of the 90 senate bills sent to the house, 65, or 72 per cent, passed the house. Of these 12, or 18 per cent, were amended before final passage by the lower chamber, and 53 passed without amendment.[2] Quantitatively, the senate thus appears to have been decidely superior to the house as a revising agency, and this also holds true with respect to the number of amendments per bill. Furthermore, when the nature of the amendments themselves is considered, the senate amendments, to a greater degree, pertained to matters of substance rather than mere form.

House bill 149, the general and departmental appropriations bill, will illustrate this point. This bill originated in the house finance committee. It was passed by the house and sent to the senate five days before adjournment. On the last day of the session, the senate finance committee reported the bill with forty-seven amendments which increased the appropriations over $83,000. The report of the committee was adopted and the bill thus amended passed the senate. As the house refused to concur in the amendments, a conference was arranged. The senate conferees succeeded in forcing concurrence on all their amendments except one small item of $750. In practically every other instance, the senate amendments to house bills were of greater consequence than the house amendments to senate bills.

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[1] The length of the session is fixed by the constitution. Art. IV, sec. 3, provides that "No regular session shall exceed sixty days."

[2] Minor amendments correcting misspelled words, etc., are not included in these percentages.

This record of the senate in amending 34 per cent of the bills of the lower house is remarkable when it is compared with the records of the senate in the states of Illinois, New York, and Wisconsin. These states are chosen for comparison because they are the only ones for which data are available. The New York senate of 1910 and the Illinois senate of 1919 each amended 15 per cent of the house or assembly bills passed; the Wisconsin senate, in 1921, amended 22 per cent of the assembly bills passed.[1] Thus, in comparison with the upper chambers in these three states, the New Mexico senate shows a marked superiority in the percentage of house bills amended. This quantitative basis, however, is not necessarily a true index to the worth of the upper chamber as a revising agency. The mere fact that a second chamber revises a large proportion of bills by amendment does not prove its real worth; it may, with impunity, impair a good bill as well as improve a defective one. The nature of the amendments, therefore, is a safer criterion. Nevertheless, this high percentage would indicate that the senate subjected the house bills to the severest scrutiny. In this connection it will be well to remember the political animosities existing between the two chambers. The writer, being in attendance at the entire session, firmly believes that this one factor was mainly responsible for the jealous scrutiny which the senate gave the bills of the opposite chamber.

Evidence of the unwillingness of the two chambers to coöperate, especially in the case of bills of importance or of political significance, is shown by the fact that each chamber either acquiesced in the amendments of the other or killed the bill, for conferences between the two chambers were held in only two cases. These were the conferences on the education code and on the appropriation bill.

(*To be concluded in the next issue*)

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[1] See D. L. Colvin, *The Operation of the Bicameral Principle in the New York Legislature, 1910;* and May Wood-Simons, "The Operation of the Bicameral Principle in the Illinois and Wisconsin Legislatures of 1919 and 1921," *Illinois Law Review*, XX, 685 (Mar., 1926).

BOOKS AND PUBLICATIONS

Notes on Democracy. By H. L. Mencken. New York: Alfred A. Knopf, 1926. Pp. 212.

Demos is dead. Against this worst and wickedest of tyrants at last, at long last, the heroic Helenmaria Mencken, that doughty champion of our oppressed and suffering *intelligentsia*, boldly steps forth; "has at him" in thrilling mortal combat;—aye, and single-handed slays the whiffling, burbling, horrendous *Jabberwockius democraticus!*

Each comma a dagger and every period a rifle shot; each paragraph a burst of machine gun fire and every chapter the detonation of ten thousand pounds of TNT,—the high argument of H. Ruthless Mencken never flags nor falters, nay like a million Klaxons it shrills in glorious bally-hoo through two hundred and twelve breathless pages. In short [and ugly] words he sets forth the true nature of the mob, *alias* the democratic electorate, as composed of morons, all terror-ridden, envious, wolfish, incapable, boss-ruled, pornographic and lecherous, especially pornographic and lecherous. As to our democratic officialdom,—*pfui Teufel!*,—with "occasional exceptions",—not specified,—it is worse than the muddy source whence it sprung: the lower house of Congress is a singular compound of vermin, male Magdalens, and unconscionable jackasses; the senate is infested with party hacks "whose backbones have a sweet resiliency"; the courts are presided over by preposterous shysters, the Supreme Court in particular suffers from senile deterioration; of recent presidents one got into office on false pretences, another was a violent and shameless demagogue; the public service is a mere refuge for prehensile morons; *et caetera, et caetera, et caetera, ad nauseam, ad infinitum.* Q. E. D.

To the pure, who are not Puritans, all things are pure. Certain details of the cogent and temperate argument recited above make this almost painfully apparent. Thus, softly sighing for a government by gentlemen, H. Chaste Mencken observes that those who argue for it "simply argue in words but little changed, that the remedy for prostitution is to fill the bawdy-houses with virgins." Mindful of the sweet innocency of his readers our author in explanation of this tactful thrust is moved to add the following sapient sentence, which really should have been printed in words of one syllable, thus: "this last de-vice would ac-com-plish ver-y lit-tle: ei-ther the vir-gins would leap out of the win-dows, or they would cease to be vir-gins." O marvellous mentality! twice marvellous perspicacity!! thrice marvellous pudicity!!! Again, woman suffrage is done to death at one fell blow; it "has substituted adultery for drunkenness as the principal divertissement at political conventions, but it has accomplished little else." In the good old days, twenty years ago, before the direct primary supplanted conventions there were few of the latter, even of the county or district variety, which did not in themselves furnish much better amusement than any species of adultery, either plain *à la yokel* or as fancy as the guileless imagination of a Monsieur Henri La-la-la Ménckène could conceive it. Ah, but our antidemocratic prophet is infallible even as the Pope; there must, indeed there must be, some mystic meaning in his inspired dictum regarding the divertissement of adultery at non-existent conventions, a deeper esoteric meaning far transcending all mere limitations of time and flesh and facts.

Accused, tried and condemned; hanged, drawn and quartered; excoriated, cremated and damned all within two hundred hectic pages, democracy, no matter how stupid and evil, nevertheless leaves a perceptible vacuum behind. Here for once our oracle seems to falter. Fear not, faint heart, 'tis only seeming. Earlier he has supplied the only possible answer. What this country really needs is not a good five-cent seegar: no, it needs a Government of Gentlemen. Obviously it is the author's modesty alone which prevents open avowal of the necessary finishing touch. H. R. H. M-nck-n Himself should,—nay, must,—be chosen Sovereign Incorruptible First Gentleman of this Great Government of Gentlemen. Who can doubt that then, then at last and forever, all would be well with America?

In short, the *Notes on Democracy* is an amusing book. All our little groups of serious thinkers should debate, solemnly and prayerfully, the question whether it assays three and a half percent or only two and three quarters percent of verisimilitude. The rest may be put down at once as rather monotonous humor, slightly off color and reminiscent of garbage in spots, or simply as the querulous mouthings of a common scold.

ROBERT C. BROOKS.

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A TREATISE ON THE LAW OF PUBLIC UTILITIES, INCLUDING MOTOR VEHICLE TRANSPORTATION. By Oscar L. Pond, A.M., LL.B., Ph.D. of the Indianapolis Bar. Third Edition, Indianapolis: Bobbs-Merrill Co., 1925. Pp. xcviii–1065.

The author's introduction shows that the present edition is not a reprint with additions. The work is almost rewritten, though it follows closely, chapter for chapter, the plan of the second edition. Many sections are added, and some whole chapters, covering regulation of motor vehicles, appeals from commissions, and a digest of state regulations, restriction and tax on motor vehicle carriers down to January 1,1925, in Indiana to April, 1925. This digest is a substitute for an appendix in the second edition containing the utilities acts of New York, Wisconsin and Indiana.

It was said that the work is almost rewritten. This applies to the relatively small portion written by the author. The work is largely made up of quotations from decisions, threaded on the string of the author's lines so as to make a continuous strand. One could wish that the author had, in places at least, injected himself into the work more than he has done. On pages 461, 529 and elsewhere are references to the vain efforts of the public to protect itself by insisting on competition and throttling monopoly. In sections 901–908 is some tracing of the abandonment of these futile efforts and resort to regulated monopoly. In the chapter on additional servitudes there is traced the tendency from narrow to broader views of the uses for which streets are intended, changes coming as new means and methods come with the advance of science and invention.

It would have been interesting and full of valuable suggestion if in like manner the author had traced the changes from perpetual franchise to franchise for a limited term, and then to an indeterminate franchise such as is now on trial in Wisconsin and Indiana, and to some extent in a few other states. Then there is the changing use of the highways. At page 510 it is said that the state may prohibit the use of the streets for private business. May it permit the use of the streets for private business, except for such uses as are open to all by way of travel? May a private telephone line use the highway, or a private pipeline, like the Uncle Sam Oil Company in the Pipe Line Cases? And may the state require an auto truck owner to secure a certificate of convenience and necessity, which incidentally may be refused, in order to carry on a private contract only? And if he secures such a certificate must he become a common carrier? The cases in Utah and California, the latter but just reversed by the United States Supreme Court, are raising new issues here, growing out of motor vehicle traffic.

Much might be said of the author's treatment of reasonable rate, going concern value and valuation.

The treatment of that *ignis fatuus*, "going concern value," is very scant. The cases to be sure are very unsatisfactory, as they are on valuation. But what shall be said of the statement, in section 599, that "the actual present market value of the plant" is the ultimate practical basis for determining the rate base? Evidently the author does not agree with the many statements in the decisions that in the case of public utilities there is, properly speaking, no such thing as market value. The author treats market value and worth as a going concern as convertible terms. Neither one throws much light on the determination of the rate base, but the latter is about as definite as most of the decisions to date.

The former editions of this work had secured a recognized position with the courts and the profession. The present edition adds much to its value in a field that is large and rapidly growing, and that as yet has few texts. It is a valuable mine of authentic information.

EDWIN C. GODDARD.

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INTRODUCTION TO THE STUDY OF PUBLIC ADMINISTRATION. By Leonard D. White. New York: The Macmillan Co., 1926. Pp. 495.

The adequate study of public administration in our colleges and universities has long been impeded by the absence of a suitable textbook. While a large amount of literature on the subject has grown up within the past few years, yet in general it lacks concentration, simplicity, and comprehensiveness, which are essential for the beginner. Reports of commissions and the like, and monographs on special problems, while invaluable to the advanced scholar, are much too voluminous and diffuse for the young student. They also treat their subjects from a technical standpoint which he has not as yet attained; and in their very nature they never survey the field of administration as a whole.

Dr. White of the University of Chicago is to be congratulated on taking the first steps to remedy this situation. The present book is written, as he explains, upon four assumptions: "that administration is a single process"; "that the study of administration should start from the basis of management rather than the foundation of law"; "that administration is still primarily an art . . . but [there is a] significant tendency to transform it into a science"; "that administration has become, and will continue to be the heart of the problem of modern government."

The first of these assumptions is very significant, since on such a basis it is possible to deal with administrative questions as problems, independently of particular governmental units. The view cannot be too strongly emphasized that the majority of important administrative problems are common to each and every governmental organization. The assumption that the basis for the study of administration should be management rather than law is also sound from every standpoint.

A strong point of the book is its emphasis upon the important problems of organization, relationships and control. Too often questions of territorial distribution of powers, reciprocal relationships of authorities, the location of the organizing authority, and methods of control, have been altogether neglected or have been treated as of slight importance. Professor White avoids these errors; but the reviewer feels that he might have devoted much more space to these subjects with advantageous results.

It is rather surprising to find that the book contains no chapters on financial administration, for this has been one of the chief lines of administrative activity to which scientific study has been given during the past twenty-five years. The fact that financial administration is discussed only incidentally and largely by way of illustration in the chapters on integration, constitutes a decided fault in the book. Another example of a certain lack of balance and proportion is the fact that nearly one-half of the book is devoted to the single question of personnel administration.

The book is filled with illustrative and source material which should make it very useful, particularly for colleges and universities with small libraries which cannot afford to collect many original documents. At times, however, the bulk of this material rather weakens the statement of the theory.

For a study involving the general problems of administration, perhaps more reference should have been made to European experience. Certainly the references, both domestic and foreign, should have been rechecked more carefully, so that such a slip as a present tense reference to the defunct Bundesrat (page 400) might have been avoided.

The outstanding value of the book is its unified attack upon the subject. Professor White has done notable pioneer work in outlining the subject of public administration within the limits of a single volume, which is simple enough to be understood by the beginner, and interesting enough to stimulate him to further study.

F. F. Blachly.

Institute for Government Research.

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Problems in Municipal Government. By A. Chester Hanford. Chicago & New York: A. W. Shaw Company, 1926. Pp. xi, 457.

Professor Hanford presents this volume as a step toward the development of the case method of instruction in municipal government. It is in a sense a laboratory manual setting forth the facts of a particular problem on the basis of which the student is expected to work out a possible solution by applying the concepts and conclusions which have been developed from lectures, textbooks, and assigned readings. The purpose of the author, in brief, is to stimulate the interest of the student in the subject of municipal government by referring him to concrete situations which will illuminate principles and possibly generate new ideas.

The author arranges forty problems under the heading "Municipal Government" and fifty-seven problems under the heading "Municipal Administration." Each of these problems covers an actual case which has recently arisen or is now pending in a particular American city.

One certainly cannot quarrel with the very laudable motive Professor Hanford has in presenting this volume, that is, to train students "to think for themselves, and to do real mental work instead of having it done for them." Sole dependence upon either the lecture-textbook method or the case method is open to serious criticism.

In view, however, of the practical exigencies of the situation, one is confronted with numerous questions in considering the adaptation of Professor Hanford's volume. In the first place, it would hardly be feasible to analyze fairly and with a satisfactory degree of thoroughness a number of the problems outlined in the manual, unless the student had the assistance of a research bureau or special library containing a wide variety of source material. For example, on the basis of an eleven page discussion of the history of the Detroit street railway system, can a student give more than a very superficial consideration to the questions which are listed for him to answer at the end of the statement of facts: "Should Detroit have adopted municipal ownership or the service-at-cost plan for the street railway system?"

The instance cited suggests the further comment that there is both danger and difficulty in considering problems apart from their setting and background. A problem that might arise in Pittsburgh, Pennsylvania, might require a very different solution from the same type of problem which has actually arisen either in Detroit, Michigan, or in Manchester, New Hampshire. Only a genius can generalize on the basis of one experience.

Finally, in a few of the cases the existence of a real problem is not always apparent, or at least the facts given hardly suggest a problem. Also where all the facts and arguments cited with reference to a particular situation make one conclusion irresistible, there is little possibility in such instances of arousing the curiosity of the mentally active or intriguing the mind of the intellectually passive. The reviewer here refers to the problems outlined under the sub-topics, "The Awarding of Contracts" and "Contract versus Direct Labor Methods."

The reviewer believes that the distinctive merit of the volume lies in the challenge it presents to existing methods of instruction in courses of municipal government and administration.

Martin L. Faust.

University of Pittsburgh.

Proportional Representation. By Clarence Gilbert Hoag, A.M., and George Hervey Hallett, Jr., Ph.D. New York: The Macmillan Company, 1926. Pp. xx–546.

The appearance of this very useful volume still leaves unsatisfied in this field two vital needs: first the need for a series of intensive, non-partisan, non-national studies of P. R. in operation both in the United States and elsewhere, following the excellent plan used by Raymond Moley and Charles A. Bloomfield in Ashtabula, reported in the Review for November, 1926; second, the need of a fascinating popularization of the results of these studies in the manner of Edwin E. Slosson.

The authors have done very painstaking and exhaustive work in collecting, analyzing, and compiling up-to-date the general facts bearing on P. R. From the point of view of information their volume is thus a very thorough revision of the old standard volumes by John R. Commons and John Humphreys. Their plan of organization does not depart widely from that used by John Humphreys. The theory of representation and of voting is explained. The defects of the voting systems now in use are pointed out. The history, types, operation, and merits of minority and proportional representation are surveyed. A chapter is included in which by more or less summary procedure all the objections to P. R. are disposed of. Over 240 pages of appendices contain a wide variety of valuable information.

The reader finds here a strong and able presentation of the affirmative side of the question of P. R. by widely known officers of the Proportional Representation League. The negative side is encountered only in the rebuttals of the affirmative and then only as a congeries of phantoms. As an additional buttress of the affirmative, over twenty pages of favorable quotations are offered as Appendix II. And in Appendix XII, where a select bibliography is given, only those materials that are favorable to P. R. are listed. Even George Horwill's volume on Proportional Representation, published in 1925, is not mentioned, although it represents probably the best statement of the case against P. R.

So far as the theory and the principles of P. R. are concerned, few informed persons are now numbered among the dissenters. It is rather on the operation, the practice, the technique, and the results that there is difference of opinion. The intensive research to prove convincingly the validity of P. R. on these counts still remains to be done.

The authors are champions of the system of the Single Transferable Vote. This is the system adopted by the few American cities that have ventured to experiment with P. R. As appears from the study of Ashtabula by Raymond Moley and Charles A. Bloomfield the concrete achievements during the first ten years have not been ponderable. Everywhere difficulties have been encountered in the use of the ballot and in making intelligible to the mass of voters the principles of the system. These difficulties of the voters are something more than phantoms, and some modifications of the technique of the Hare system will undoubtedly have to be made if that system is to become permanent and popular in the United States.

Arnold J. Lien.

Washington University.

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The Science and Practice of Urban Land Valuation. By Walter William Pollock and Karl W. H. Scholz. Philadelphia: The Manufacturers' Appraisal Company, 1926. Pp. 315.

Assessing officials everywhere—including state tax officials having power of review of local assessments—should read this volume. This is not because they would endorse every theory, practice and conclusion expressed, but because the book is a thorough-going exposition of one theory of appraising urban land. Appraisers generally would profit by its perusal.

The book is an exposition of the unit system of land valuation devised by the late William A. Somers. The work is presented in three parts. The first part outlines the Somers principles of land valuation and theoretical basis of the Somers system. The second describes the practice of land valuation, including the development and use of the Somers curve for city lots, the zone and overlap tables, and corner tables. The third part discusses the social and economic significance of scientific urban land valuation. An appendix contains ten of the 100 corner tables and twenty-five zone and overlap tables.

Mr. Somers began his work in St. Paul in 1886, and subsequently was employed by Chicago, New York, Baltimore, Cleveland, and other cities. Such leading assessing authorities as Lawson Purdy and John A. Zangerle would undoubtedly acknowledge Mr. Somers' contribution to scientific assessment, and certain it is that his unit-foot and depth rule have met with acceptance and have been widely adopted. The corner influence tables have not been generally adopted, probably owing to their complexity and secrecy.

Liberal credit should be given Mr. Somers for his pioneer analyses and resulting rules and formulae. The basis of comparative valuation is stated as follows: "There is a mathematical relation between the value of any two city sites affected by the same street influences." The Somers system would obtain the opinion of the community as to values, and apply that opinion mathematically. The sole unit for measuring land would be the "unit-foot"—a single foot frontage, 100 feet deep, of an inside lot. A depth table would apply for lots varying from this standard. (Incidentally, a revised depth table appears on page 90). Values for corners, irregular lots, and certain external factors of value would be considered for each site, and recorded on lot and block maps and permanent record cards.

Upon a consensus of community opinion really rests the secret of satisfactory assessing. In this connection, it will be interesting to note the outcome of the experiment now being made in San Francisco to obtain such community expression of values. The city has been divided into over one hundred sections, for each of which a committee of citizens is fixing the basic values.

The book is well written, although redundant in places, and is valuable historically. It does not discuss the organization or machinery necessary for satisfactory and continuous assessment in our cities. Assessing requires a fine combination of common sense and judgment with theory, whereas the text would make it appear that satisfactory assessing rests upon extensive computations beyond the scope of the ordinary assessor. The air of commercialism is noted in that only a few corner influence tables are published, thus requiring employment of outside specialists continuously were this phase of the system adopted.

C. E. Rightor.

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Solving Sewage Problems. By George W. Fuller and James R. McClintock. New York: McGraw-Hill Book Co., Inc., 1926. Pp. 548.

In *Solving Sewage Problems* the authors have made an important contribution to the literature of a subject which, because of its urgent nature, demands attention throughout the country. The book gives concisely the principles of sewage disposal, the present status of sewage treatment, and indicates the most practicable methods of eliminating the objectionable conditions created by the discharge of sewage into water courses.

Both in the first chapter which outlines sewage problems and in the two following chapters which present, respectively, legal and legislative, and administrative aspects of sewage disposal, the authors compare the experience and practices of European countries and the United States. The importance of good management of treatment plants is stressed. It is interesting to note that emphasis also is placed by the authors upon education of the public to obtain the support of public opinion for sewage disposal programs.

The remainder of the 41 chapters, except the last, take up the details of sewage disposal. In the discussion of sewage disposal methods the authors accord most space to the latest developments. For example, a chapter of only three pages is devoted to contact beds, which are now seldom used in new installations, whereas the activated sludge process, one of the most modern, is given four chapters.

A reader familiar with sewage disposal practice soon notes that *Solving Sewage Problems* is down-to-date. Modern aspects of sewage disposal work, such as the biochemical oxygen demand which is assuming more importance in the minds of many sanitary engineers, and the utilization of the gas produced in sewage treatment works, are well described.

The book is particularly fortunate in its discussion of stream pollution and the disposal of sewage by dilution. Furthermore, the authors give special attention to such troublesome problems as the treatment of industrial wastes and the disposal of sewage sludge.

Numerous references are made to disposal plants in the United States and in Europe and much useful information is given concerning the design and operation of these plants. This information is, on the whole, remarkably recent. The book is illustrated by very good pictures of many of the plants which are described.

Covering, as it does, a large subject in a single volume, *Solving Sewage Problems* is necessarily brief. However, a large amount of information has been compressed between its covers. Careful references to sources of material and to more detailed discussions assist the reader.

A non-technical summary occupies the final chapter. This, however, does not conclude the book. The authors, to present more adequately the trend toward regional control of sewage disposal problems without regard for political boundaries, have included an appendix on "Procedures for Controlling Wastes." In a second appendix a more detailed discussion of phenol wastes is given. These wastes which are contributed principally by the gas and coke-oven industries have been troublesome in recent years and the discussion of their disposal is, therefore, particularly timely. A bibliography of publications on phenol wastes is given at the end of this appendix.

Charles A. Howland.

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Chicago's Municipal Lodging House.—A detailed analysis of the work of the *Municipal Lodging House* comprises the greater part of the Annual Report of the Department of Public Welfare of Chicago for 1926. Five hundred of the 4,123 men cared for during last winter were interviewed and the results should be of interest to those attempting to solve the problem of unemployment.

E. C.

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The Abatement of Nuisances is the subject of an eight-page monograph compiled recently by Harvey Walker of the League of Minnesota Municipalities. It contains a very clear discussion of the problem of what constitutes nuisances and the exercise of the police power by a municipality in their abatement. The suggested ordinance presented divides public nuisances into three classes: those affecting health, those concerning morals and decency, and those threatening peace and safety. The material here presented should prove of much practical value to cities and villages with this problem before them.

E. C.

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A Selected Bibliography on Housing, Zoning and City Planning in Chicago has been published by the Bureau of Social Surveys of the Department of Welfare of that city. It is a very complete list of available publications in the field it covers, but, although some works of a general nature are included, it is chiefly valuable to those working out the problems for Chicago.

E. C.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Damages for Change of Grade of Streets and Highways.—At common law the principle is well settled that a change of grade of a public road is not a basis for a recovery of damages by an abutting owner. For consequential injuries to property resulting from such a public improvement constructed without negligence, the municipal corporation is not liable, unless the liability is imposed by statute. The early English case of *Leader* v. *Moxon*, decided in 1773, recognizing such a liability, was distinctly disapproved by a later case in 1792 in which Lord Kenyon said: "If this action could be maintained, every Turnpike Act, Paving Act and Navigation Act would give rise to an infinity of actions. If the Legislature think it necessary, as they do in many cases, they enable the commissioners to award satisfaction to the individuals who happen to suffer; but if there be no such power, the parties are without remedy, provided the commissioners do not exceed their jurisdiction. . . . Some individuals suffer an inconvenience under all these acts of Parliament; but the interests of individuals must give way to the accommodation of the public."[1]

The English rule was early followed by our courts, when similar actions were brought by abutting owners for damages caused by the leveling, regrading or repairing adjoining highways and streets. In all the early American cases it was held that, where the authority was delegated or the duty imposed by the legislature, the municipal corporation exercising reasonable care and skill in the performance of the work would not be liable to adjoining owners for consequential damages to his premises. Thus in grading and leveling a street, if a portion of the adjoining lot in consequence of the removal of its natural support falls into the highway or access be cut off or rendered difficult, no remedy was given; and this, too, although the grade of the street had been previously established and the owner of the abutting property had erected buildings or made improvements with reference thereto.[2] It is in view of the extent of the easement the public enjoys in highways and streets, whether acquired by dedication or by a proceeding *in invitum*, that the courts will not imply a power in the municipality to purchase land for street purposes, when the statute expressly provides that they may be taken by condemnation, in which action the damages and benefits, actual and consequential, may be determined by a jury.[3] The owner of lands dedicating them to the public for street purposes subjects his remaining abutting property to the same paramount right of the public to make any changes necessary to the complete enjoyment of the easement of public travel.

TWO RECENT CASES

Two important cases involving the application of these principles were recently decided by the highest courts of Pennsylvania and Maryland.[4] The case of *Dobler* v. *Baltimore* was an action against the city and other individual defendants for damages to plaintiff's property occasioned by the lowering of the grade of one of the two streets abutting thereon, so as to leave his lot from ten to twenty feet above the level of the street. The regrading of Clement Street at this point was incidentally for the purpose of facilitating an extension of a belt line industrial railroad from the Key highway to the yards of the Baltimore and Ohio Railroad, which purpose was alleged to be unlawful and not within the definition of a public use. The Court of Appeals, after calling attention to the fact that no damage was shown to have been suffered directly by the alleged unlawful act, pointed out that the regrading and paving of Clement Street constituted a "public use" within the narrowest legal definition of that term, and that the greater incidental advantage which might accrue to certain members of the public in no way made it less a public use. Therefore, the court holds that there is no element in the case to take it out of the general rule and the judgment for the defendants dismissing the plaintiff's action is affirmed.

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[1] *Cast Plate Manufacturers* v. *Meredith*, 4 T. R. 794.
Leader v. *Moxon*, 2 Wm. Blackstone, 924.

[2] *Callendar* v. *Marsh*, 1 Pick (Mass.), 418.
Radcliff v. *Brooklyn*, 4 N. Y. 195.
O'Conner v. *Pittsburg*, 18 Pa. St. 187.
Goszler v. *Georgetown*, 6 Wheat 593.

[3] *Trester* v. *Sheboygan*, 87 Wis. 496.

[4] *Hoffer* v. *Reading Co.*, 134 Atl. 415.
Dobler v. *Baltimore*, 134 Atl. 201. An order denying the plaintiff an injunction had previously been affirmed by the court of appeals, 140 Md. 634, 118 Atl. 168.

In *Hoffer* v. *Reading Co.*, the Supreme Court of Pennsylvania likewise denied an abutting owner a right to damages in a case in which the elimination of a grade crossing along the William Penn highway was imposed upon the railroad by the public service commission, which directed that not only should the company bear the cost of the new subway, but also pay all consequential damages that might be occasioned by the reconstruction of the adjoining highway. Along one portion of the plaintiff's property the work within the highway lines left the road some eight feet below the established grade, and the public service commission upon application of the plaintiff against the protest of the company gave the plaintiff an award, which was affirmed by the court below. Admitting that in the absence of a statutory provision, the municipal corporation would not be liable for consequential damages thus occasioned, the plaintiff contended that the Public Service Act, authorizing the commission to require railroad companies to pay all consequential damages resulting from such an improvement imposed upon them, justified the recovery in the instant case. The constitution of Pennsylvania (Art. 16, Sec. 8) requires corporations invested with the privilege of appropriating property for public use to make or secure compensation for the rights taken, injured or destroyed, but it is clear that this can have no application to the opening of streets, which must be done by the state or its public agencies.

LIABILITY WHOLLY STATUTORY

In its opinion, the court reviews the statutes imposing upon municipalities liability for damages resulting from a change of the grade of highways and shows that while they apply to townships of the first class, neither the state highway department nor counties and townships of the second class are included within their provisions. "The Public Service Company Act," says the court, "made no change in the law on this point, but simply recognized that adjacent property—which includes abutting property—might be injured by the construction, relocation, alteration, or abolition of a grade crossing and made provision accordingly. . . . But this does not mean that the Public Service Company Law has created any extension or enlargement of the rights of adjacent property owners or that since the passage of that act they are entitled to damages to which they were not previously entitled. Just as before, the injury must be proximate, immediate and substantial in order to permit a recovery. There is nothing in the title of the Public Service Company Act which gives notice of any desire or intention on the part of the legislature to make a radical change or departure from the law in this respect." As prior to the statute referred to there could be no award for damages resulting from a change of grade by the state highway department, this legislation did not extend liability to cover such loss, where the highway improvement is delegated to a private corporation.

In closing, it may be well to call attention to the effect of the provisions in certain state constitutions that no law shall be enacted whereby private property shall be taken or *damaged* for public use without just compensation therefor. In some states, as in Illinois, it is held that this clause requires compensation for the consequential damages resulting from a change of grade of a public highway.[5] But such consequential damages, as in the case of statutory liability, are subject to be offset to the extent that the property is benefited by the improvement, so that in many instances no monetary compensation can be recovered by the adjoining owner.[6]

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Special Assessments—the Front-Foot Rule.—The Court of Appeals of the District of Columbia in its recent decision in *Johnson* v. *Rudolph* et al. Commissioners (16 Fed. 2nd., 525) reversed a decree of the District Supreme Court, dismissing plaintiff's bill in an action to quash an assessment of special paving taxes against lands situated along Rhode Island Avenue, one of the main arteries of traffic in the District. The assessment was made to cover one-half the costs of repaving the street and was levied upon the "front-foot rule" under the authority delegated by the Borland Act of 1916, which made such an assessment for repaving mandatory without the necessity of notice and hearing as required for sidewalk and alley improvements. The warrant for the assessment therefore rested upon an express legislative direction in general terms.

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[5] *Chicago* v. *Jackson*, 196 Ill. 496.
Consumers Co. v. *Chicago*, 223 Ill. App. 132.
Contra, *Leiper* v. *Denver*, 36 Colo. 110, 85 Pac. 849.

[6] *Town of Galax* v. *Waugh* (Va. 1925), 129 S. E. 504.
O'Brien v. *Philadelphia*, 150 Pa. St. 589.

In the property of the plaintiffs was a triangular piece of land having a frontage of two hundred feet on Rhode Island Avenue with a depth varying from one to fifty feet in the widest place. Another portion of the land involved was a rectangular piece fronting five hundred feet on Rhode Island Avenue with an average depth of about one hundred feet. The street at these points was improved with sewerage, water and gas mains and electric trolley lines, so that while the land lay in a more sparsely settled portion of the District, it could not be said to come within the definition of purely agricultural land, although used for that purpose.

The Court of Appeals, in an able opinion by Justice Van Orsdel, in holding the assessment invalid denied that this statutory direction covering all the street that might thereafter be paved was such a legislative declaration of the benefits to the abutting property as would dispense with the requirements of notice, hearing and judicial determination, and that consequently the assessment could not be supported under the doctrine of *French* v. *Barber Asphalt Company* (181 U. S. 324), and was clearly invalid under the doctrines of *Gast Realty & Investment Co.* v. *Schneider Granite Co.* (240 U. S. 55).

The doctrine of the Supreme Court as to assessments by the front foot, as enunciated in Justice Harlan's opinion in *Norwood* v. *Baker* (172 U. S. 269), was later modified in a series of decisions which established the principle that a state legislature may create taxing districts to meet the expense of local improvements and may fix the basis of taxation without encountering the Fourteenth Amendment, unless its action is palpably arbitrary or a plain abuse (*Houck* v. *Little River Drainage District*, 239 U. S. 254). Under the Barber Asphalt case, the front-foot rule was sanctioned as a proper method of defraying the cost of paving a street, on the ground that by such a method the assessments are not likely to exceed the benefits and that the law does not attempt an imaginary exactness or go beyond the reasonable probabilities. But if the law is of such a character that there is no reasonable presumption that justice will be done, and the probability is that the assessment by an arbitrary rule will not be fairly uniform and proportionate to the benefits received, then notwithstanding the legislative declaration the assessment will not be upheld unless the property owners are notified and the amount of each owner's tax judicially determined. (*Martin* v. *District of Columbia*, 205 U. S. 135.)

It may thus be seen that Justice Van Orsdel's opinion is sustained by the decisions of the Supreme Court. In view of the confusion that has resulted by the modification of the clear principles stated by Justice Harlan in *Norwood* v. *Baker*, it may be deemed unfortunate that in its later decisions the court refused to follow the *ratio decidenti* of his opinion, to which he steadily adhered in subsequent dissenting opinions. As the court points out in the instant case, many of the state courts still apply the doctrine of *Norwood* v. *Baker* to the effect that a valid assessment by front-foot rule requires notice, hearing and judicial determination and refuse to follow the more vague and less practical rule established by the Supreme Court in its later decisions. (*Harmon* v. *Bolley*, 187 Ind. 511.)

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Right of Beneficiaries to Recover upon Bonds Given upon Public Work.—The Circuit Court of Appeals of the Fourth Circuit in *Hartford Accident and Indemnity Co.* v. *Board of Education* (15 Fed. 2nd., 317) held that the school board as assignee of the claims of laborers and material men may recover upon a contractor's bond guaranteeing the faithful performance of the contract and the payment of all labor and material bills. This case arose under the laws of West Virginia which prescribed that such a bond shall be required in connection with all public building contracts. One clause of the bond stated that no right of action should accrue upon or by reason thereof "to or for the use or benefit of any other than the obligee named herein; and the application of the surety is and shall be construed strictly as one of suretyship only." Notwithstanding this provision of the bond, the court held that as public buildings in West Virginia are not subject to mechanics' liens the statute is for the protection of those furnishing labor and materials on public buildings and that the bond must be construed in the light of this statute. Therefore, those furnishing labor and materials have rights vested in them under the contract which are subject to enforcement either in an action in their own name or by an assignee for valuable consideration of the claim. The rule that the third party beneficiary under a bond given upon a contract for municipal work is sustained by the great weight of authority.

There seems to be no question of the application of the rule where a statute requires such a bond to be given, as upon federal public works. (*Illinois Surety Company* v. *John Davis Company*, 244 U. S. 376.) A majority of our courts also hold that where such a bond is given although not directly required or authorized by statute it is given for the benefit of the laborers and material men and they may maintain an action thereon. (See also the following recent cases supporting this conclusion: *Ideal Brick Company* v. *Gentry*, 132 S. E. 806; *Standard Time Company* v. *Fidelity and Deposit Company*, 132 S. E. 808; *S. W. Portland Cement Company* v. *McElrath Construction Company*, 11 Fed. 2nd., 910.)

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Recovery Against City in Quasi-Contract.—In *Commissioners of Delaware County* v. *News Dispatch Company* (251 Pac. 606), decided December 14, 1926, the Supreme Court of Oklahoma refused the plaintiff recovery for goods purchased by individual county officers upon the ground that the statute vested the power in the board of commissioners and that it could not be delegated to the individual officers. The application of quasi-contractual liability to the municipal corporations is much more limited than in the case of private corporations because to permit recovery would in fact abrogate the express statutory provisions defining the method of exercising contractual powers. (*Zottman* v. *San Francisco*, 20 Cal. 96; *Hague* v. *Philadelphia*, 48 Pa. 527.) The same court in *Edwards* v. *School District* (246 Pac. 444), decided last April, however, established the doctrine that one who in good faith has sold personal property to a municipal corporation under an invalid agreement may be decreed to be the owner of the property if still in existence and recover it in an equitable action. The long existing rule in Ohio precluding any recovery in quasi-contract against a municipality was modified by the decision in *Sommers* v. *Putnam County Board of Education* (148 N. E. 682). This latter decision was the subject of an extensive note in the issue of the REVIEW of July, 1926.

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Torts—Damages for Change of Grade.—The rule is well established that in the absence of constitutional or statutory provisions imposing liability, there can be no recovery for damages to property caused by the change of grade in a street or highway. In *Speck* v. *Wayne County* (211 N. W. 626), decided January 3, 1921, the Supreme Court of Michigan held that this rule must be applied to exempt the county for damages to plaintiff's property caused by raising the street grade in the construction of a new bridge over the River Rouge in the city of Detroit. A statute adopted in 1919, authorizing recovery of damages caused by the construction of bridges over navigable streams, was held to apply only to cases where bridges were constructed under provisions of that statute. As the construction of the bridge in the instant case was under the provisions of the County Road Law, the court refused to extend the liability of the county by implication.

A somewhat similar decision was recently handed down by the Supreme Court of Pennsylvania in *Hoffer* v. *Reading Company* (134 Atl. 415), in which the liability imposed by statute upon the defendant to pay the consequential damages which might be occasioned by the reconstruction of the adjoining highway so as to eliminate grade crossings was held not to render the railroad liable for damages resulting from the change of grade.

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Torts—Negligence in Care of City Hall.—The Supreme Court of North Carolina in *Pleasants* v. *Greensboro*, decided November 10, 1926 (135 S. E. 321), refused to extend the common law liability of the corporation for acts of negligence. The plaintiff was injured through defective construction and maintenance of steps leading into the municipal building, which was used by the city for the combined purpose of a market place and municipal offices, including that of the water department, and also for an opera house. The portions used for public market and the opera house yielded a considerable revenue to the city. The plaintiff fell upon the main steps of the building while returning from a visit to the tax collector's office.

The court, in affirming a judgment for the defendant, refused to accept the contention of the plaintiff that the use of part of the building for producing revenue subjected the city to the same degree of liability for its care as would be imposed upon a private corporation, maintaining that the injury complained of came under the defendant's use of the building in its governmental capacity.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Public Utility Consultant, New York City

New York Water Power Authority.—The most important public utility matter before any legislature at the present time is the New York "Water Power Authority" proposed in a bill introduced in the legislature on January 24, by Senator Bernard Downing and Assemblyman Maurice Block. This brings to an issue the difference in the "license" policy involved in the Water Power Act adopted in 1921 under the leadership of Governor Miller, and Governor Smith's policy of direct water power development on the part of the state. The license policy under the present Water Power Act follows largely the plan and terms of the Federal Water Power Act. It would grant to private companies the right to develop particular projects, each under a contract for a period not exceeding fifty years, which would provide for rental payments to the state, for a method of rate control, requirements for amortization, and terms of recapture by the state during the period of the license.

IMPORTANCE OF THE ISSUE

Governor Smith has viewed the license policy apparently with increasing disfavor and has sought to retain more complete control by the state itself. Tremendous stakes are involved. New York contains over ten per cent of the potential water power of the country. Its total available amount exceeds 5,000,000 h. p. More important, however, it has more than fifty per cent of its potential power in huge projects at Niagara and in the St. Lawrence. The latter particularly furnishes the crux of the immediate controversy. It alone would make available 2,500,000 h. p., half of which belongs to Canada. The capital cost of its development would be comparatively low, and the supply immensely important to the state. These huge resources are now going to waste; hence a decision as to policy must be reached soon; long delay would be intolerable.

OBJECTIONS TO LICENSE POLICY

The chief objection to the license policy is the difficulty of safeguarding the future control in the interest of the state. The supply naturally involves agreements with Canada, especially the Province of Ontario, and requires the approval of the federal government. Any lease, therefore, covering fifty years may find the state control ineffectual at the end of the period, so that the company may gain a perpetual franchise and might incorporate the huge supply in a general inter-state power system. The state's perpetual control is more definitely conserved under direct ownership than under a license however carefully it may be specifically framed in the interest of the state.

There are also minor objections to the license policy especially as it would exist under the New York Water Power Act. Perhaps the principal criticism is: no definite basis of rate-making is laid down. The licensee in general, would be subject to control by the public service commission under the Public Service Commissions Law. Presumably, therefore, the rates would be fixed in the usual way, and the company would be entitled to the same consideration in rate-making as other public utilities. Presumably it would have the right to a return on the "fair value" of the property as determined under the usual undefined judicial standards. It might require for each rate adjustment a valuation on the basis of reproduction cost, notwithstanding the exact records kept under the license of the monies actually spent in the properties. There would be no exact basis of rate-making and there would be disagreement between the state and the company every time rate adjustments are attempted. Naturally the company would fight every effort to reduce rates, and the state would object to every increase.

DEFINITE RATE BASE NEEDED

Even if the license policy were to be adopted, the rights of the licensee should be exactly defined, and an exact rate base and procedure of rate-making should be provided for. The rates should rest upon exact facts as shown by the accounts, so as to eliminate all differences in interest between the state and the company. No such futile course should be adopted as to grant a license for a huge project of many millions of investment and to incorporate the same indefiniteness and confusion of rate-making as exist under our ordinary regulatory methods.

A second objection to the license method, under the New York law, appears in the provision for amortization. Although the license would provide for the amortization of the actual investment during the license period, the terms would be flexible, and the respective rights of the company and the state would be uncertain in case of recapture of the properties by the state. The form of the license clearly implies that under certain conditions the company would be entitled to reimbursement on the basis of reproduction cost, notwithstanding amortization on the actual investment basis. There is involved, therefore, not only the objection to reproduction cost as such, but to the inevitable disputes that would arise in the effort to determine at any point what the reproduction cost is.

THE PUBLIC COMMITTEE ON POWER

The objections to the particular licenses drawn up under the New York law, have been formulated by the "Public Committee on Power," which has been organized to study the New York water power situation and to use its influence for the adoption of a sound policy. The chairman of the committee is Mr. Arthur Garfield Hays; the treasurer, Mrs. Gordon Norrie; the secretary, H. S. Raushenbush. The committee, in general, favors Governor Smith's proposal of a "Water Power Authority," but if the license policy should be adopted, the committee will urge the revision of the licenses so as to provide for a definite basis of rate-making, exact provisions for amortization, and precise rights of recapture on the part of the state. The committee consists of leaders in government and public administration, including engineers, economists, lawyers and others who have devoted a great part of their professional life to the study of public utility problems. The report on the objections to the license system as developed up to date in the state of New York was prepared by H. S. Raushenbush, secretary of the committee, Professor Robert L. Hale, of Columbia University, and the editor of this Department.

THE "WATER POWER AUTHORITY" PLAN

Governor Smith's plan is to have a state "Water Power Authority" organized along the same line as the New York Port Authority. He would have a separate public corporation with complete authority over the particular purpose defined within the statute, and with sufficient power to carry out the purposes, including the issuance of bonds, entering into contracts, and constructing and operating the properties. Under this form of organization the state itself through the special instrumentality would be the outright owner and operator of each hydro-electric project. It would generate the power, provide such transmission lines as are necessary, and make arrangements for the distribution of power. It would have the right to enter into contracts with distributing companies or municipalities, would fix the rates for the power thus sold, and would keep complete records of the results of operation. It would be a full-functioning public utility.

The power authority bill provides, however, that a legislative committee shall be established to investigate the entire water power situation and to report its findings and conclusions before any final policy is adopted. This feature of the bill is doubtless a concession to allay political opposition and to enlighten the public as to the facts and issues.

THE RELATIVE MERITS OF THE TWO POLICIES

We frankly believe that Governor Smith's plan should receive the heartiest support of everyone interested in public affairs and progressive policy. While we do not join the general doctrinal group of public ownership enthusiasts, we do believe that in this particular instance it would be a grave mistake for the state to lose direct control over the huge hydro-electric projects. While the ultimate differences in costs under state ownership and operation as compared with private ownership and operation, may not be great, the direct state policy would serve especially in setting a standard for rates which would influence all over the country in the efforts to maintain reasonable rates. The large projects, moreover, are of such a character that the state would be able to realize the maximum efficiency as easily as would private management; capital would be available at a lower rate; and under present conditions there would be the greatest assurance that the "Water Power Authority" would be placed under competent and highly expert control. The ordinary objections to public ownership do not apply. Furthermore, there are no financial complications in instituting public ownership, and the state would be in a position to avail itself of the most efficient plant available for large scale production,—which is not the case in the great majority of public ownership projects in the field of electric light and power.

DIFFERENCES IN COST

In the interest of fairness, however, we doubt whether so far as mere costs are concerned that there will be any great advantage or disadvantage to the public in having the state development as against private development under proper license control. It is difficult to see any great difference in necessary plant outlay or in the range of operating expenses. The same prices would have to be paid for materials and the same rates for wages. The only considerable differential would appear in the interest rate paid for capital. Private capital under the license system would probably require at least 7 or 8 per cent upon the actual investment. The state would probably be able to obtain the necessary funds at no more than 5 per cent even if the credit of the "Authority" should rest wholly upon the industry itself. If, however, the taxing power is used, capital might be obtained near 4 per cent.

The difference between cost of capital under private and public development is considerable, but would finally not be a great factor in the level of rates charged for power. It is possible, however, that some of this saving would be counterbalanced by a lower efficiency of public operation; but this is improbable. The public operation would have a lower level of administrative salaries; but this would be a negligible factor in the aggregate. So far as the total cost of service is concerned, including operating expenses and return on investment, the difference between private and public ownership and operation would probably be slight. This is especially true if the license system, if carried out, is based upon definite policies and exact facts as above outlined. Furthermore, if definite recapture provisions are included in the license, and if the investment is amortized on a strict financial basis, then the state would have the right to recapture at any time if the private operation proved unsatisfactory at a price fixed by the license.

There is the difficulty, however, that under the present Water Power Act it would be all but impossible to incorporate in a license such definite provisions as are essential to the public interest. Consequently, the present law would have to be materially altered before a satisfactory license system could be worked out. If, however, the law is to be materially altered there would be a large margin of advantage on the side of the proposed "Water Power Authority" because the state would then have in its complete control the development of future policies according to changing circumstances and public requirements.

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Who is Qualified to Value a Public Utility?—An extremely important issue has been presented to the Supreme Court of the United States in an appeal by the *City and County of Denver* v. *E. Stenger* as Receiver of the Denver Tramway Company. This case involves the usual complexities and confusion of a rate case,—which we shall not endeavor to untangle. One point, however, does have great interest in that it affects the municipalities as to the experts that may be employed for rate or other cases to present the valuation and other financial and technical matters from the public standpoint.

In the Denver case, Dr. Delos F. Wilcox was employed by the city of Denver to make an appraisal of the properties and to present the facts completely from the city's standpoint before the master who was investigating the adequacy of the fares. He took charge of the entire valuation, engineering and financial investigation on behalf of the city. He employed engineers and accountants who worked with him and under his supervision in making the valuation and presenting the evidence before the master. The latter included the evidence thus presented in the consideration of the case and in making his findings to the court. Judge Lewis, however, upon receiving the master's findings rejected all the testimony and exhibits offered through Doctor Wilcox and thus left the city practically without evidence in the case on the basis of which the "fair value" and return could be determined. Consequently the judge determined the valuation and necessary return practically altogether on one-sided data, and virtually denied the city its day in court.

The ground for rejecting Doctor Wilcox's testimony was that he was not an engineer and had never constructed and operated a street railway or other utility. This was a novel reason for rejecting the findings of the master who had listened to the qualifications of the witness and had considered the objections made by opposing counsel. The judge himself had no opportunity to consider Doctor Wilcox's qualifications at first hand, and based his rejection purely upon the general theory that a man must be an engineer and must have constructed and operated a utility property in order to qualify as a valuation and rate expert.

Doctor Wilcox is one of the few eminent and able men who have remained consistently on the public side in rate controversies, who have followed conscience and not the lure of compensation in the great public utility struggles of the past fifteen years. There is no one anywhere, we believe, who understands the principles of valuation and what constitutes "fair value" better than Doctor Wilcox; no one who has had closer personal contact with all phases of regulation from the very beginning of ratemaking; no one who himself has worked more extensively, intensively and intelligently in rate cases; no one who is more really qualified to take charge of an appraisal than Doctor Wilcox. True, he could not himself—nor could anyone else,—testify as a qualified expert in every respect to every phase of valuation covering all classes of property. But this inevitable individual limitation has been reasonably handled in thousands of cases before commissions, masters and courts all over the country during the past twenty years. A generally qualified man has close immediate charge of the valuation; he has competent assistants, but takes responsibility for the work of the assistants; in important special matters, the assistants may testify to corroborate the expert in charge. This is a commonplace procedure and is daily followed in every important case. Doctor Wilcox did what inevitably must be done in a practical world.

The question brought before the Supreme Court of the United States is whether or not a city can thus be summarily excluded in the fashion perpetrated by Judge Lewis. The Supreme Court will decide whether an eminent economist and a man with the greatest practical experience in valuation and rate-making must also be an engineer who has constructed and operated a public utility before he may appear as an expert for the municipalities. If Judge Lewis' position should be sustained, the difficulties of the cities may be greatly multiplied, for most of the few outstanding men who have devoted themselves to the public side in the rate controversies would be made *presto* ineligible,—notwithstanding their ability and experience,—to present evidence on behalf of the cities.

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Illinois Seeks Home Rule in Public Utilities.—On January 19, a bill was introduced in the Illinois legislature which seeks to acquire for the municipalities of the state a large measure of home rule in the regulation of public utilities. At present, the municipalities of the state are practically excluded from all control over the utilities serving them even in such matters as are beyond the practical scope of the commission and eventually go by default for lack of attention. In the case of railroads, for example, the municipalities have no power in the matter of crossing protection, but the commerce commission is so overwhelmed with other duties and has such an inadequate staff to handle the great amount of cumulative detail in the various phases of regulation, that the job of crossing protection and local safety devices largely goes by default.

The proposed amendment would return to the municipalities a large measure of control over all the utilities serving them. This would extend to the regulation of quality, adequacy and safety of service, reasonable rates, and inspection of properties. The scope of local control thus conferred upon the municipalities would extend much further than in the states where public utility commissions exist.

Under present conditions there is no doubt that the job of regulation, especially as to ratemaking, is so enormous, covering the large number of towns and cities, the varying conditions and circumstances, that the commissions are practically not doing the work expected of them. Their staffs are mostly inadequate for the purposes imposed upon them. If, however, the municipalities are empowered to fix rates or make other regulations in the first instance, with the right of appeal to the commissions and the courts left to the companies, a large part of the deadlock of regulation that exists at present may be removed. The Illinois bill appears to be a step in the direction of more effective regulation. It is a measure at least that warrants public consideration. If it is enacted into law, the experiment in Illinois will be studied carefully elsewhere, and probably adopted.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Secretary

Boston Finance Commission.—The Finance Commission of the City of Boston is at present at work on the following projects:

Investigation of the 1927 budget of the city of Boston and county of Suffolk.

Study of cases of aid in the soldiers relief department of the city.

Study of the aid granted under the mothers' aid act.

Study of the overseeing of the public welfare department and the problem of public aid in Boston.

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Citizens' Research Institute of Canada.—Many of our correspondents have asked for material on the council-manager form of municipal government. The Institute has decided to reproduce a series issued by the Toronto Bureau of Municipal Research. The first of the series, *The Council-Manager Form of Government, Story No. 1, Its Essential Features,* has already been published.

Work continues on the preparation of the first portion (Canadian Cities) of the *Red Book, Financial Statistics-Canadian Municipalities.*

The second of the Annual Cost of Government series on *Cost of Provincial Government* is in course of preparation and will be issued soon.

Dr. Horace L. Brittain, the director of the Institute, is going to St. John, N. B., the latter part of the month to make a study of community service organizations in that city.

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Delaware Taxpayers' Research League.—The Taxpayers' Research League of Delaware has about completed studies of the bonded indebtedness of the State, the condition of the sinking fund, and the county bonded indebtedness.

The League has also been assisting the Women's Joint Legislative Committee (representing 30 women's organizations in the state) in its consideration of legislation pending in the present session of the general assembly.

The League has under way plans for a statewide campaign to stimulate the interest and participation of citizens in public affairs. Concurrently with this campaign, the League will make a study of the causes and extent of non-voting in Delaware.

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Des Moines Bureau of Municipal Research.—The Des Moines Bureau of Municipal Research is sponsoring a number of bills in the current session of the Iowa legislature.

Among these are bills for permanent registration of voters, a county budget, combined city and school elections, and a proposed bond law sponsored by the League of Iowa Municipalities.

The bill for permanent registration for elections closely follows the Minnesota law. At present the larger cities of Iowa have the general quadrennial registration and any citizen who fails to vote at an election must re-register in the interim. It is estimated by the Bureau that permanent registration would save the taxpayers of Des Moines about $8,000 per year.

The county budget bill aims to correct a defect in county government. None of the counties operate on a budget and consequently deficits accruing in past years have been funded by bonds. The proposed law would require all departments to submit estimates for the ensuing year to the board of county supervisors; and the board would be required to pass an appropriation resolution showing the revenues and expenditures for the two preceding years as well as the estimated revenues and expenditures for the ensuing year. A quarterly statement showing balances in appropriation would be made by the county auditor to the different departments.

The Bureau is also advocating a measure which would permit the consolidation of the school and the municipal elections. At present the school elections occur annually while the city elections are held biennially. School elections fall within two weeks of municipal elections in the even numbered years. The actual saving in the election expense would not be large, but the school system under the proposed change would be freed from the yearly extra labor occasioned by the election and the disconcerting uncertainty as to its outcome.

Members of the board of education maintain that the terms of office should be arranged so that only a minority of members are elected at one time. This would necessitate six- or four-year terms in place of the present three-year terms. The Bureau of Municipal Research has learned from a number of cities that the school elections have been largely free from municipal politics in spite of combination with municipal elections, and the personnel of the school board so elected has been of excellent calibre.

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Erskine Bureau for Street Traffic Research (Harvard University).—The Albert Russ Erskine Bureau for Street Traffic Research in Harvard University which is under the direction of Dr. Miller McClintock has just been selected by Mayor Malcolm Nichols to direct a comprehensive street traffic survey of the city of Boston. The Bureau has just completed for the Association of Commerce and the city Council the *Metropolitan Street Traffic Survey of the City of Chicago*, and is at present completing a survey in the city and county of San Francisco.

The Boston survey will deal exclusively with matters of street traffic control and the development of new methods of regulation designed to decrease accidents and congestion. The field of the study will lie primarily in urban Boston, but some analysis will be made of metropolitan problems. The survey will cover a period of approximately one year and will result in recommendations regarding proper organization of administrative methods for the future as well as for control methods and installations to be set up immediately.

The mayor has appointed an advisory committee of twenty members, representative of the principal public departments and business interests affected by street traffic conditions. This committee will supervise the general progress of the survey, the technical work of which will be under the direction of the Erskine Bureau.

At the request of the mayor, the Boston city council has appropriated $25,000 to defray the administrative costs of the survey, the commercial interests of the city having agreed to coöperate through the supply of information and other materials for the survey.

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Indianapolis Chamber of Commerce.—Leonard V. Harrison, who has been Director of the Department of Civic Affairs of the Indianapolis Chamber of Commerce since October, 1923, terminated his services on January 1, 1927, to become associated with the Laura Spelman Rockefeller Memorial Foundation. Recently he has been in Boston conducting a survey of the metropolitan police department.

Under Mr. Harrison's administration of the department in Indianapolis, the mayor put the merit system in effect for police and fire departments. Mr. Harrison was most active in aiding the newly formed civil service board in adopting its rules and conducting its first examination for applicants for the position of patrolmen.

✣

Kansas City Public Service Institute.—Thomas Helsom has been added to the staff of the Public Service Institute to do membership and publicity work. Mr. Helsom formerly had experience in research work with the Minneapolis Civic and Commerce Association.

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National Institute of Public Administration.—The survey of state and county government in Virginia, made by the Institute, has been completed. The Governor's Committee on Consolidation and Simplification of State and County Government is preparing, on the basis of the survey, a program of legislation. A special session of the legislature has been called by Governor Byrd to take up the reorganization program.

Philip Cornick has returned to the staff of the Institute after completing his studies in rapid transit finance for the North New Jersey Transit Commission.

Bruce Smith has been appointed consultant to the Committee on Firearms Regulation of the National Crime Commission. The committee is preparing a model law regulating the manufacture, sale, and use of pistols, machine guns and noxious gases.

The post-graduate students from the School of Citizenship and Public Affairs of Syracuse University have begun a six-weeks' course at the Institute. This course is given to the students each year by the members of the Institute staff as a regular part of their training.

Dr. W. E. Mosher, director of the School of Citizenship and Public Affairs of Syracuse University, has recently been the guest of the Institute. Doctor Mosher is completing his study of public employment administration, which is soon to be published.

Philadelphia Bureau of Municipal Research.—The Philadelphia Bureau has just issued a revised edition of its pamphlet *Philadelphia's Government* which describes briefly the 500 or more local units of city government and shows on a chart, 14 inches by 54 inches, the interrelationship of these units. This second edition incorporates the changes which have occurred in the structure of Philadelphia's city-county government since the first edition was published in October, 1924.

In addition to the city-county government, the text of 41 pages describes, and the chart portrays, the administration of the school district of Philadelphia and of the county courts, which, though primarily a part of the state judicial machinery, play an important part in local affairs. Separate diagrams on the chart show the relationship of the local government to various agencies doing public or semi-public work and receiving aid from the city treasury, and to portions of the state government in which the local government has a direct share.

A lively demand developed, notably in the schools, for copies of the first edition, and it was soon exhausted, but the requests continued to come in. Therefore, to meet the evident need for a publication of this kind, and to present the existing governmental structure, the second edition was prepared.

Copies are available for free distribution to persons interested, upon application to the Bureau of Municipal Research, 311 S. Juniper St., Philadelphia, Pa.

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San Francisco Bureau of Government Research.—With the information obtained by Secretary M. H. Gates on his recent visit to eastern cities, the Bureau is coöperating in a study of pay roll procedure with the object of simplifying present methods. The demand for economy in this phase of the city's business has been accentuated by a charter amendment approved last November which provides that all city employees shall be paid twice monthly.

A study of the San Francisco juvenile probation department has been undertaken at the request of the chief probation officer. The report, which will soon be completed, will deal with simplification of procedure and reorganization along lines generally accepted by the head of the department.

A review of the school building expenditures for the last eight years is being made, as the basis for a report showing the financial status of the school construction program, what the city has received for its money, and the present condition and future needs of the city's school system.

A comprehensive report has been practically completed, dealing with a proposed franchise for a toll bridge across San Francisco Bay, from San Francisco to Oakland or Alameda, for which nineteen applications have been filed with and heard by the board of supervisors. The report will deal with the various proposals, volume and types of traffic, factors determining the best location, maritime requirements, engineering problems, financial feasibility, etc.

The Bureau is also making studies of proposed extensions to the Municipal Railway for which a bond issue of 13,500,000 may be submitted to the people.

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The Commission of Publicity and Efficiency (Toledo, O.).—The Toledo Commission of Publicity and Efficiency has recently completed a survey of the administration of the Division of Inspection, which is charged with building, plumbing, electrical, smoke and weights and measures inspection. This survey has been published in the *Toledo City Journal*, the publication of the commission.

As a result of this survey, recommendations have been submitted to the city administration for increasing the inspectional service supplied on buildings, for maintaining the department on a self-supporting basis, and for speeding up the revision of the building code.

It was found that during 1925 and 1926, the building inspection division was kept on a self-supporting basis largely through the receipts from building permits.

The commission is now engaged in making an appraisal of city-owned land parcels. The records of city-owned property have not been carefully kept. It will, therefore, be necessary to check through all the deeds in the possession of the city in order to ascertain definitely the parcels of land owned by the City.

The commission has carefully followed the movement for the adoption of the city manager plan. This movement has gained considerable headway but nothing definite has, as yet, been done.

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Toronto Bureau of Municipal Research.—The Bureau has published a booklet entitled *Twelve*

Years of Community Service, which gives a résumé of the Bureau's work since its inception.

White Paper No. 108, dealing with the recent civic vote and some suggestions for improvement of municipal government and a bulletin giving the personnel of Toronto city government for 1927 have been issued.

The provincial government of Ontario is proposing certain revisions in the municipal income tax. The director of the Bureau, who is secretary-treasurer of the Ontario Municipal Association, has, at the request of the executive committee of the association, sent our questionnaires to the various municipalities in order to see how the suggested revisions will effect them. When the analysis is completed the executive committee will present their findings to the provincial government.

A study of civic financial control is being made and a series of bulletins dealing with the results over a term of years is being prepared.

NOTES AND EVENTS

Police Chief August Vollmer Stirs Detroit.—For a number of years the Detroit police department has been taking advanced steps in improving its method of selecting personnel, record keeping, operating procedure, etc.

In the summer of 1926, the American Social Hygiene Association, partially on its own initiative and partially at the suggestion of a number of Detroit civic agencies, made a study of vice in the city which indicated that prostitution was rampant and that little effort was being made to curb it. Police Commissioner Frank H. Croul, a highly respected citizen of the city, resented the request of the mayor that he discuss the vice situation with a citizens' committee and resigned accordingly. Superintendent Rutledge was then made commissioner. The appointment of Mr. Rutledge to this office seemed to present an opportune moment for renewing the invitation to Mr. Vollmer to study police conditions in Detroit and invitations were presented to him by the mayor, the police commissioner and the Detroit Bureau of Governmental Research, asking that he serve as a consultant to the police department for a period of three months, the Bureau to underwrite his compensation. This Mr. Vollmer agreed to do. He spent the months of October, November and December in Detroit, working in close coöperation and harmony with the police department. The Bureau at no time injected itself into the situation and received no report of Mr. Vollmer's activities, preferring that he serve the police department directly as adviser and consultant.

It is understood from those acquainted with the situation that Mr. Vollmer's visit was highly successful so far as the police department was concerned. He had the heartiest coöperation of that organization, made numerous suggestions to the officers, many of which are already effective, and on many occasions pointed out to the public the high character of work being done by the police. In the words of the superintendent, "He accomplished exactly what he was supposed to do,—reëstablish the police department in the confidence of the citizens."

During his stay in Detroit, Mr. Vollmer came to the conclusion that no small part of the difficulty with the control of criminal activities in the city was due to defects in criminal judicial procedure, and in particular to the attitude of several judges on the Recorder's Court bench towards crime and the police department. In consequence, after leaving the city, and entirely upon his own initiative and without consulting with either the department or the Bureau of Governmental Research, Mr. Vollmer gave out an interview praising the court in general, but criticizing three of the judges, characterizing one as a lazy psychopath and two as political favorites of the underworld. This criticism aroused considerable interest in the city. Some citizens believed that it would eventuate in a public understanding of the court situation, while others felt that no real good was accomplished. The only direct evidence of results from the interview has been the introduction of a resolution into the state legislature providing for an investigation of the crime and court situation in Detroit by a joint committee of the Senate and the House. This resolution has passed the Senate but there is doubt as to whether it will be passed.

The attitude of Detroit officialdom was originally antagonistic to the resolution but upon sober second thought several Detroit representatives have expressed an opinion that the city has nothing to conceal and that an investigation would be welcome if it were sincere and not designed as a muckraking joy ride for a few upstate members of the legislative body.

On the whole, however, the explosion in the press as a result of Mr. Vollmer's charges and the talk of legislative investigation, whether it happens or not, may serve as a background for a revised criminal code to be introduced by the Michigan Crime Commission. There is no question but what a general discussion has stimulated a renewed interest in the crime situation and that the bills proposed, many of which have considerable merit, will receive a more favorable consideration in consequence.

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New Home Rule Amendment Proposed for Two New York Counties.—One of the weaknesses in the proposed Westchester county charter, which was defeated at the polls in 1925, and of the revised draft which was vetoed by Governor Smith in 1926, was the failure to provide any local control over future amendments, or any protection against charter tinkering by the legislature. The amendment to the constitution adopted in 1921 which authorized the legislature to provide new forms of government for Westchester and Nassau counties required the approval of the electors before a new charter could go into effect, but permitted the legislature to amend or modify a new plan after its adoption. Realizing that the weakness in the government of counties, as in that of cities, was to be found largely in the ease with which special laws dealing with local affairs could be passed through the legislature, opponents of the proposed charters felt that some safeguard against charter tinkering should accompany any new charter.

In order to meet this need, the Westchester County Civic Association has prepared a proposed addition to the amendment of 1921. It was felt that it would not be practicable under existing circumstances to prevent the legislature from adopting any necessary legislation relating to counties, nor to transfer to the county authorities themselves a substantial portion of the legislative power over local affairs, as has been done with respect to cities by the city home rule amendment. The proposed amendment seeks rather to give to counties protection against hasty or secret special legislation similar to that contained in the home rule provision contained in the constitution of 1894. Under the amendment now proposed, after the adoption of a new form of government by Westchester or Nassau county, any special or local law affecting those counties or either of them can go into effect only after having been submitted to the board of supervisors or other governing elective body of the county, following a practice similar to that formerly employed in the case of special city bills. The board of supervisors must give a public hearing. Action on behalf of the county is to be taken by the board of supervisors or other governing elective body of the county, and if under the new charter there is an executive head, the concurrence of the executive head is also required. If the bill is not thus accepted it cannot go into effect without approval by the voters of the county at a referendum. If the bill is accepted by the county authorities, it is submitted to the governor and if signed by him goes into effect, unless within sixty days a petition protesting against it is filed, bearing the signatures of electors to the number of five per cent of the vote cast for governor at the last election. The optional referendum provision is modeled on the provision of the city home rule law.

In this manner the people of the county are secured the right to a hearing on every proposed measure; and while noncontentious proposals can readily be adopted by the legislature with the approval of the board of supervisors and of the governor, without the cumbersome and expensive requirement of a referendum on every measure, any bill encountering substantial opposition must be approved by the people before it can become a law.

Laurence A. Tanzer.

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Administrative Reorganization in Missouri.—A bill, called "the administrative code of Missouri," was recently introduced in the legislature of that state. It provides for the reorganization of most of the statutory administrative machinery of the state government. The following nine departments are to be created: agriculture; conservation and development; taxation, revenue and disbursement; health; industry and labor; trade and commerce; public welfare; highways; and military. In addition there is to be created an administrative board, consisting of the governor as chairman, four department heads designated by the governor, the attorney general, the secretary of state, and the state auditor.

The heads of the proposed departments are to be variously constituted. The existing state highway commission is to be the head of the highway department. The military department is to be headed by the adjutant general. The heads of the other seven departments are to be known as "directors." The director of agriculture is to be appointed by the state board of agriculture for a term of four years. This board is to consist of one member from each congressional district appointed by the governor with the consent of the senate for terms of six years each. The dean of the college of agriculture is to be ex officio a member of the board. The directors of the remaining departments are to be appointed by the governor with the approval of the senate for the same term as that of the governor (four years).

The director of taxation, revenue and disbursement is to be chairman of the tax commission of three members, the other two members being appointed by the governor with the approval of the senate. This commission is to be attached to the department of taxation, revenue and disbursement. There is to be a workmen's compensation commission of three members appointed by the governor with the approval of the senate, which is to be associated with the department of labor and industry without control by the head of this department. A public service commission consisting of five members is to be associated in much the same manner with the department of trade and commerce. There is to be an advisory board of geology and mines in connection with the department of conservation and development; an advisory board of health in connection with the department of health; and an advisory board of public welfare, and an advisory board of charities in connection with the department of public welfare. The members of these boards are to be appointed by the governor with the approval of the senate.

The administrative board is to have authority to make expenditures not definitely authorized by the legislature to meet deficiencies and emergencies. The need for such a board is not apparent, unless it is to tie the constitutional administrative officers into the reorganization plan. Generally speaking, such arrangements have not been very successful.

Provisions for the preparation of a state budget are included under the proposed department of taxation, revenue and disbursement. At the present time the state government is without a budget system. A centralized purchasing system is also provided for under this department. The financial sections of the bill are quite extensive and, from a casual examination, seem to be in the right direction. Aside from the financial provisions, few innovations are to be found in the bill. It may be noted that the registration of professions and trades is to be centralized under the proposed department of health after the manner of Illinois.

While the organization provided in the proposed bill is not everything that could be hoped for in many of its details, it is safe to say that if it is enacted into law, it will be a large improvement over the present arrangement. If adopted, it remains to be seen whether or not it will cut down the operating cost of the state government or reduce the number of state employees. However, the financial methods proposed by it should be of great value to the state, if properly installed and carried out.

A. E. Buck.

Is Detroit's Municipal Street Railway a Costly Experiment? — The following excerpts from a letter to the editor of a newspaper, which had asserted that Detroit's street railways were a costly experiment, will be of interest to many readers.

> It is not true, as stated in your editorial, that "instead of a source of revenue for the city treasury, as they formerly were, the Detroit Street Railways now draw from the treasury the money required for interest and sinking fund on the $24,000,000 in bonds voted and issued for the purchase of them." If it be added that the department of street railways first puts into the city treasury all the moneys paid out on account of interest and sinking fund on the street railway debt, as well as for all other street railway expenditures, the statement will be complete and correct.
>
> The total interest and sinking fund charges in the Detroit city budget for the year ending June 30, 1927, are $16,740,000. Of this total, $2,043,000 is for street railway debt, and the interest and sinking funds are reinbursed for this amount by the department of street railways.
>
> The following general observations relative to the Detroit ownership and operation of street railways are pertinent:
>
> 1. The department of street railways is wholly self-supporting.
> 2. The department has been self-supporting since the lines first operated as a complete street railway system.
> 3. The accounts are kept in accordance with the Interstate Commerce Commission's classification for electric railways. This is not mandatory for a strictly municipal system, but the uniform classification was adopted by the street railway commission to assure completeness in accounts, as well as to permit of comparisons with other street railway lines.
> 4. The books of account and record are audited annually by a firm of certified public accountants. Copies of this report up to 1926 verify the statement that the system is wholly self-supporting, and in no wise a drain upon property taxes for one penny for any purpose.[1]
> 5. These audit reports show that the department has had an annual surplus. Indeed, the

---

[1] Following the preparation of this statement, the audit of Price, Waterhouse & Company for the year ending June 30, 1926, was released, and reported a deficit of $453,940. At the same time, W. A. Hauser, D. S. R. auditor, released a report, giving a net surplus of $613,379. These two audit reports differ in a wholesome manner, in almost every phase of accounting,—amount of net income, handling of depreciation, sinking fund requirements, amount of taxes paid, etc. The D. S. R. board of commissioners has agreed that after the first of the year the two reports shall be reconciled, or other auditors be called in.

equity of the city in the D. S. R. today is in excess of $10,000,000, after only four and one-half years of municipal operation, and after all charges of whatsoever kind have been made. The city's investment is slightly in excess of $50,000,000.

6. The department pays general property taxes, the same as if privately owned, to the city of Detroit, to Wayne county, and to the state of Michigan, on an assessed valuation of $28,000,000. Taxes are an item of expense exceeding $700,000 annually.
7. The department pays out of fares, as stipulated by the city charter: (a) operating and maintenance expenses, including paving and watering between the tracks; (b) taxes on the physical property of the entire street railway system, the same as though privately owned; (c) fixed charges; and (d) a sufficient amount to establish a sinking fund upon a 4 per cent annuity basis upon its $24,000,000 of bonded indebtedness. In addition to these expenses, the department is retiring a purchase contract of $19,850,000 at the rate of $1,000,000 annually, and setting up an additional fund to pay a balance of $7,580,000 on this contract on December 31, 1931.
8. The department has set up a depreciation reserve, 3 per cent per year on the book value of depreciable property.
9. The department is meeting these expenses with a six cent fare, or nine tickets for 50 cents, and one cent extra for a transfer.

There is much more that might be said about the financial conduct and status of the department of street railways of Detroit, and the details are readily available to those requesting them. The foregoing summary statement, however, discloses a financial story of a street railway which cannot be equalled by any privately owned system in the country. So far as the financial conduct of the Detroit street railways is concerned, it may be questioned whether the public regrets its venture." No mention is made of service.

Of course, to assert that Detroit's street railways have been on a sound financial basis for four and one-half years is not to predict that they will always remain so, although with the substantial reduction in debt service that result seems likely. Further, because municipal ownership and operation of street railways in Detroit has proved a financial success, it is not assumed that public operation in any other city would prove a success. Local circumstances must be taken into account.

Whether "Detroit is beginning to regret its venture into public ownership of utilities"—so that other cities may profit by its costly experiment, as your editorial suggests—may be ascertained accurately only by a referendum of the question. Certain gauges, however, may be read in the following referenda:

April 5, 1920—To acquire street railway system, and issue bonds not to exceed $15,000,000 therefor,—Yes, 88,585; No, 50,776.

April 17, 1922—To make additions and betterments to street railway system, and issue bonds not to exceed $4,000,000 therefor,—Yes, 55,654; No, 12,174.

April 2, 1923—To make extensions, additions and betterments to street railway system, and issue $5,000,000 bonds therefor,—Yes, 74,160; No, 45,699.

As evidence that Detroit hasn't a "transportation complex," a passing glance at the other utilities is of interest.

On August 31, 1920, the people voted, 55,468 for and 12,498 against, issuing $12,000,000 water supply and filtration plant bonds. On November 2 of this year, the people approved, by a vote of 73,386 yes and 33,161 no, an issue of $30,000,000 for water supply and distribution purposes.

On April 2, 1923, the people approved, by a vote of 74,026 for. and 43,065 against, the proposition of constructing a municipal electric power plant, authorizing a $12,000,000 bond issue for same.

The people have, upon two occasions, approved the principle of the city of Detroit acquiring rapid transit facilities and a plan of financing same by taxes at large, bonds, and special assessments. The last vote upon the proposition, November 3, 1925, was Yes 141,991, and No 51,332.

I have volunteered the foregoing facts about Detroit's municipal operation of public utilities, not as a proponent of municipal operation, but as one who is interested in getting the "facts to the folks." It is upon this basis that the Detroit Bureau of Governmental Research has functioned for the past ten years, and we are wholly willing that other cities should judge Detroit in the light of accurate knowledge of its public affairs.

C. E. Rightor.

*

Proposed Minnesota Bond Law Compared with League's Model.—It is interesting to note the difference in the provisions of the proposed Bill to Regulate Municipal Bond Issues in Minnesota, as adopted and endorsed by the League of Minnesota Municipalities, and those of the Model Bond Law as formulated by the National Municipal League's Committee on Municipal Borrowings. In the Minnesota proposal, special care seems to have been exercised to exclude from its provisions on net debt, debt limits, and referendum, those cities operating under home rule charters. The Model Law is designed to cover all municipalities in the state.

The Minnesota proposal puts the control of retiring the debt in the hands of the county auditor, whereas the Model Law puts entire control, including granting permission to sell bonds, in the state auditor's office.

The Minnesota proposal sets debt limits on municipalities not operating on home rule charters. The Model Law omits limits from its provisions, its framers believing that such determination is better taken care of by constitutional enactment. The Minnesota limit of 20 per cent of the assessed valuation for school purposes, might make a tax of over fifteen dollars a thousand to defray school debt charges alone. This seems unreasonably high.

The net debt as defined by the Minnesota bill excludes all special assessment bonds, whereas the Model Law excludes only those special assessment bonds which are not backed by the credit of the municipality. In addition, the Minnesota bill excludes water, lighting, heating, and power bonds from the net debt. The Model Law carefully provides for a set up of net debt, segregating self-supporting utilities and special assessments from the other obligations of the municipality.

The provision in the Minnesota bill for retiring the debt seems to be in excess of actual requirements[1] and make necessary an involved system for handling the surplus. This provision would allow revenue received from municipally owned utilities to apply on the interest and retirement of general obligation bonds. The Model Law applies revenues of municipally owned utilities to retirement of their own bonds only; any excess of revenues over operation charges including debt service to be used in reduction of rates rather than in reduction of taxes.

No provision for retirement or refunding of existing bond issues is contained in the Minnesota bill. The Model Bond Law sets up methods of retiring present indebtedness and provides for refunding under certain conditions.

The Minnesota bill defines no limits on interest, no detailed procedure for enacting bond ordinances, has no provision for advertising or sale of bonds, or for registering bonds after sale, and no mention of place or places of payment. The Model Law covers all these points. Thus it would seem possible to strengthen the Minnesota proposal in several points. Some definite procedure could be outlined to take care of present indebtedness; control of debt could probably be better administered in the state than in the county government; and some definite procedure on ordinances, advertising and sale, could properly be made.

John Rae.

Virginia Proposes Reorganization at a Special Legislative Session.—Governor Harry F. Byrd has called a special session of the legislature to meet on March 15. It will consider a program of state reorganization requiring both constitutional and statutory changes. A committee under the chairmanship of Judge Prentis is preparing the constitutional amendments. A citizens' committee of 38 members, of which William T. Reed is chairman, has just issued (February 14) a report to Governor Byrd recommending the consolidation of state agencies into 11 major administrative departments and the adoption of the short ballot. The proposed departments, in addition to the governor's office, are finance, taxation, highways, education, corporations, industrial relations, agriculture and immigration, conservation and development, health, public welfare, and law. Some of these departments are headed by single officers; others by boards. Of the 80 odd existing administrative agencies, about 28 are abolished through the consolidation. The most far-reaching proposal of the committee is its recommendation for the reconstruction of the entire financial structure of the state government. The committee says: "This is regarded as fundamental, and the present lack of it is considered the outstanding defect in the governmental machinery."

The Reed committee states that its recommendations are based upon a "most comprehensive and complete" report recently made by the New York Bureau of Municipal Research. However, it says that it has not followed this report in all of its proposals. The report of the Bureau is to be printed and each member of the legislature will be supplied with a copy before the opening of the special session. If its plan is adopted, the committee forecasts an annual saving of over $500,000 in the operating costs of the state government.

⁂

Parking No Aid to Merchants, assets F. C. Fox of the A. I. Namm Company, Brooklyn, in an address reported in the *Electric Railway Journal:*

> "The merchant today is seriously interested in the transportation problems. First, I think, I ought to indict the merchant as being guilty of producing a great part of the present traffic congestion. The downtown shopping district has become an institution. A number of large department stores have been established in one section. We spend millions of dollars annually to bring people to that section from all the outly-

---

[1] A later revision of the Minnesota bill reduces the mandatory annual tax from 25 to 5 per cent in excess of the amount needed to meet annual debt services.

ing districts. We have created this vast movement and, having built up this tremendous congestion, now we are crying for help.

"It is not quite right to say that the merchant is selfish and wants his customers to park around the store and in the streets adjoining the store, because he doesn't. We made a check recently to ascertain what benefit we received from the automobiles parked around our place of business. We front on Fulton Street, which, of course, is a two-track street. The rear is on Livingston Street which is likewise a two-track street. We found in the check-up that 75 per cent of our customers came to the district via subway or elevated, 24 per cent arrived by surface cars and 1 per cent presumably walked or came by automobile.

"There were 118 automobiles parked from 9 o'clock in the morning until 5 o'clock in the afternoon on Livingston and Hoyt Streets and Elm Place. From those 118 cars 80 customers came into the store, and just think what those 80 customers did to traffic on Livingston Street. They practically eliminated all of the road area except that section of it on which the surface cars were operating, so that these 118 automobiles impeded thousands of people.

"We do not desire that condition and we are going to do our part to eliminate it. Congestion that we have helped to create is now undoubtedly seriously interfering with our business. It has become such a serious problem that when the department of commerce recently sent out a questionnaire to practically every merchant in so-called downtown shopping districts, these merchants agreed that this congestion is interfering with traffic so seriously that unless something is done the downtown shopping district will soon be a thing of the past."

*

City Manager Government Shows Continued Economies.—For the fifth consecutive year the city manager form of government has succeeded in cutting the per capita cost of operation and maintenance of the city government of Kenosha, Wis.

The per capita cost for 1926 was $20.15, compared with $20.81 for the previous year. The figures are for all expenditures, including capital outlay, and account for cutting the city's tax rate from 30 mills to 29 mills.

In 1921 the per capita cost was $27.75. This was the last year of the aldermanic form of government and the year when the city manager form of government was adopted.

Since that time the per capita cost has steadily decreased as follows:

1922	$26.51
1923	22.95
1924	22.23
1925	20.81
1926	20.15

Readers will recall that Kenosha was awarded first prize in the Better Cities Contest conducted last year by the Wisconsin Conference of Social Work. C. M. Osborn is city manager.

*

The Newport City Manager Charter, described by Mr. Cottrell in this issue and approved by the people last November by a vote of 5,020 to 1,865, is in serious risk of mutilation by the city council. To become effective the charter must be passed by the legislature and it was assumed that the city council would automatically transmit it to the General Assembly in the form in which the people approved it. But the council, elected under the Lawton charter which was forced upon the people of Newport without their consent and over their protests by the last legislature, is a strictly partisan body and seems to have started its career by bottling up in committee the resolution asking the assembly to enact the manager charter. To date they have refused to report the resolution and are planning a series of hearings, evidently to work up popular enthusiasm for amending the charter in important details.

Doubtless the political group opposing the charter hope by these methods to bring supporters of manager government into hopeless division and thus relieve the legislature of its obligation to give the charter the force law.

*

The Citizens' Research Institute of Canada estimates that the total taxes levied by all governmental authorities in Canada in the year 1924 amounted to 18.6 per cent of the net production of all industries for this period. This compares with the proportion of 19.7 per cent in 1923, 20 per cent in 1922 and about 14.9 per cent in 1913. The year 1924 showed a decrease in total taxation amounting to 5 per cent over the year 1922. The decrease, however, occurred entirely in the field of dominion taxes. Both provincial and municipal taxes showed increases. It would thus seem that the course of taxation in Canada is following the same lines as in the United States.

In Canada the three provinces showing the highest proportion of taxation to net production are Saskatchewan, Manitoba and British Columbia in the order named.

*

Norfolk's Municipal Market Pays.—The Norfolk municipal market, costing $521,000 and now in its fourth year of operation, is paying dividends. Operating and debt charges total about $65,000, while revenue approximates $74,000 per annum leaving almost $10,000 to be turned into the city treasury. It is expected that the $500,000 bond issue will be paid for out of revenue within twenty years. High tribute to the sanitary conditions maintained is paid by a writer in the *Monthly Labor Review.* Prices are about the same as charged in the stores, but in the farmers' curb market adjoining the Market building prices are somewhat lower.

Readers interested in the layout of the building and the regulations enforced should refer to the NATIONAL MUNICIPAL REVIEW for March, 1925, and to the article in the *Monthly Labor Review* of December, 1926.

⁂

Jockeying with Assessments.—The county assessor's appetite for reducing property assessments is again making trouble for the city manager of Knoxville. It will be recalled that when Louis Brownlow was city manager, assessments, which are in the control of the county assessor, were reduced thus forcing the municipal tax rate to rise from $2.10 to $2.44. Due to another reduction in assessments, the city council will probably be compelled again to increase the rate to as much as $2.90, although there is no considerable increase in the budget. It is likely that the Tennessee legislature will pass an amendment to the Knoxville charter giving the city its own tax assessor and compelling it no longer to be the victim of county politics.

⁂

The Voters of Missouri at the last election adopted a constitutional amendment authorizing pensions for policemen, their widows and minor children, and it is the task of the 1927 legislature to provide enabling legislation to carry the amendment into effect. Under the terms of the amendment the general assembly may enact a pension scheme for the cities or may authorize any municipalities to provide its own by ordinance. The provision prohibiting any grant or extra compensation to a municipal official after the service had been rendered made it necessary to revise the constitution before a proper pension system could be adopted.

⁂

Present Indications are that the effort to repeal the direct primary in New Jersey with respect to the nomination of candidates for United States senator, congressman and governor, has failed. It also seems clear that the movement to abolish the direct primary in Pennsylvania will come to nothing. Both Governor Pinchot in his farewell message to the legislature and Governor Fisher in his inaugural address strongly supported the primary.

⁂

The City Plan Committee of the Civic Club of Allegheny County (Pittsburgh) has produced a program for the development and extension of Pittsburgh's planning system. The program urges the careful preparation of plans with estimates of costs before further money is spent. The committee recommends particularly that no new sites be acquired until existing sites are brought to the point of complete primary development, nor until accurate sketch plans with cost estimates have been drawn up.

⁂

Welwyn Garden City has made application to the Hertfordshire County Council for an order elevating it from the status of parish to an urban district with a council of fifteen members. This move calls attention to the continued success and growth of Welwyn Garden City. In October 1921, the estimated population was 896; at present it is 4,077. In October 1921, one hundred and ninety-eight houses had been completed. At present the number is 1,331. The rateable value October 1921 was 13,266 pounds; at present it is 38,975.

The formal application for urban powers is an interesting document illustrating the methodical manner in which a municipality of a lower order is advanced to a higher order in England.

⁂

Secretary Fleming Resigns.—Our readers will regret to learn that Herbert E. Fleming who for several years has been serving most energetically as the secretary of the Chicago City Club has resigned to reënter private business.

⁂

By the Overwhelming Vote of 985 to 34 the Chamber of Commerce of Toledo has approved a report favoring city manager government for that city.

⁂

Chinese Local Government Before Christ.—The Bureau of Municipal Research of Kiangsu, China, has issued a report on China's local government under the Chow dynasty—1122 to 2255 B.C.

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EDITORIAL COMMENT

Chicago celebrated the birthday of the Father of His Country by arming its police with machine guns to quell rioters at the polls in a primary election. Washington lived a long time ago and never knew the elevating influences of a primary campaign.—*New York Times.*

*

In order that we may cover more adequately the various reports and public documents issued from time to time on governmental topics, we have persuaded the persons named below to become review editors of the material published in their respective fields. No attempt will be made to review everything which comes out, but it will be our effort to report to you upon most of that which seems of most importance. The men who have generously consented to serve as review editors and the fields which they will cover are as follows:

- Arthur C. Comey, City Planning and Zoning.
- Martin L. Faust, Public Finance.
- C. A. Howland, Municipal Engineering.
- C. E. Ridley, Municipal Report.

We shall appreciate the coöperation of our readers in securing for review purposes copies of all reports or other public documents in our field.

A resolution submitting to the people of Pennsylvania a constitutional amendment to authorize the consolidation of the city of Pittsburgh and the county of Allegheny has passed the state legislature, and the amendment will be voted upon in November, 1928. If the amendment is adopted, as it doubtless will be, the legislature will draft a charter for the consolidated government of the 124 municipalities within the county. But before the charter becomes effective it must be approved by a majority of the voters of the county and by a two-thirds vote in a majority of the municipalities.

*

Dr. W. W. Keen is distinguished for his interest in public affairs as well as for a long life spent in the practice of medicine and surgery, and our readers will be interested in the following letter received from him last month which we print with his permission:

> I have received and read your Model Registration System and very fully approve of it. I do not know just what I can do to help it along. I cannot do very much, because I have already so many engagements that I cannot add to them anything that would be burdensome especially as I am about five weeks along in my 91st year.

*

Indian Viewpoint on Local Government

A movement for the improvement of local self-government is gaining headway in India under the auspices of the Local Self-Government Institute. Soon is to be undertaken the publication of a Year Book under the patronage of the government of Bombay, and a special class for training local government officers is to be held from April to June of this year.

The Institute has prepared a general outline of a scheme to educate the people in the necessity and benefit of improved local government. Under this plan, local government will enter into practically all the affairs of life relating to health, wealth and happiness.

According to the outline, one of the functions of local government in India should be to make it possible for the citizens to secure sound and undisturbed sleep. This means "freedom from mosquitoes, fleas, bugs and other disturbing factors." Truly political problems present wide variations in different civilizations and climates. Had a New Yorker been consulted he probably would have demanded freedom from motor horns, elevated railways and court-yard cats.

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Municipal Debt Limits in Massachusetts As our readers know, the general statutory debt limits of the cities and towns of Massachusetts are so low as to require continuous appeals to the legislature for permission to incur particular additional debts for needed public improvements. The result is a constant stream of local and special bills giving specific authorization to individual municipalities to borrow money in the amounts and for the purposes stipulated. It is probable that this practice would have broken down years ago were it not for the unwritten law that such bills before passage in the legislature must receive the approval of the director of accounts.

The plan of establishing debt limits by special legislation, however, is unsound at best, and a measure was introduced into the present legislature establishing a board consisting of the attorney-general, the state treasurer, and the director of accounts, with power to approve loans beyond the general limits prescribed by law. Unfortunately, this bill, which would have relieved the legislature of considerable detail and would have guaranteed a more intelligent administration of debt limits, failed of passage.

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Missouri Consolidation Measure Killed The proposal for administrative reorganization and consolidation of the Missouri state government, noted in the last issue of the REVIEW, was defeated on March 9 in the lower house of the legislature by a vote of 72 to 60. The opposition came from many quarters, but was mostly political. Many rural members of the legislature fought the proposal on the ground that it would permit the governor to build up a political machine and would strip elective state officials of their powers in the governmental scheme. These officials, namely, the secretary of state, the state auditor, and the state treasurer, strongly opposed the plan. Local businesses near the various state institutions also were antagonistic, since the provisions for centralized purchasing might curtail the volume of local sales to the institutions. There was also considerable opposition because of the fact that certain organizations, particularly the Associated Industries, fostered the plan. It was thought that these agencies might have some ulterior motives in giving their support to a measure designed to bring about a more business-like organization of the state government.

Although defeated at this time, the supporters of this measure intend to push for its adoption at the next legislature and perhaps carry it into the gubernatorial campaign of 1928.

Missouri undertook a program of consolidation during Governor Hyde's administration, and several laws grouping related governmental activities were passed. But practically all these laws were suspended through a referendum.

A. E. B.

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North Carolina Takes a Forward Step in County Government By a series of three laws passed at the recent session of the legislature, North Carolina places herself in the van of the states which are doing something about county government. It is now possible for counties in that state to choose between two forms of government—the regular form now existing and the county manager plan. It is possible for the county commissioners themselves to install the latter plan on their own motion, but if the county board does not exercise its discretion to appoint a manager the electors may by petition bring the matter to a vote. If the majority of the votes cast at the election are in favor of the manager plan, the board must proceed to appoint a manager.

The manager is empowered to appoint, with the approval of the commissioners, such subordinate officers as the board may consider necessary, except such officers as are required to be elected by the people or whose appointment is otherwise provided by law. But inasmuch as the act does not disturb existing elective or appointive offices, the appointive power of the manager will have a narrow range inconsistent with his position as "the administrative head of the county government" and his responsibility "to see that all orders, resolutions and regulations of the board of commissioners are faithfully executed."

A novel feature is the creation of a county government advisory commission, the secretary of which is to act as county adviser. In this capacity he will visit the counties of the state to advise and assist the county officers in providing competent and economical administration. The development of this office will be watched with interest in other states.

A second bill relates to county fiscal control. The county auditor becomes the county accountant, and as such, the chief accounting, auditing and budget officer of the county. The budget estimates of all department heads and officers in charge of spending money are filed with him and he thereupon prepares his own estimates of necessary appropriations for the ensuing fiscal year. The county board then determines the appropriations for the next year, but no appropriation recommended by the county accountant for debt services shall be reduced, nor can the county commissioners make any appropriation which will infringe upon the powers of the county board of education. It is also compulsory upon the commissioners to appropriate the full amount of all deficits reported in the estimates which have not been funded as provided by law.

The third act relates to the issuance of county bonds and notes. It specifies the purposes for which bonds can be issued and limits the term of the bonds to the estimated life of the improvement as set forth in the act. All bonds are to be serial in form and no annual installment shall be more than two and one-half times as great in amount as the smallest prior installment.

The new county bond law is more comprehensive than any which has come to our attention, and applies to counties the sound principles which should govern borrowings and which have been adopted for municipalities in a few states, notably North Carolina and New Jersey.

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Al Smith Seeks to Consolidate Rural Government Speaking to a conference of 200 county supervisors and representatives of private health agencies, Governor Smith of New York recently declared that village and township government was out of date and must give way to a larger governmental unit.

"The day must come," he said, "when we shall have to get away from the old-fashioned government that was set up by our law and in the Constitution when it took a whole day to get to Albany from New York."

With his plea for the county to supersede the town in the more important administrative functions, the governor carried a step further his ideas on consolidation of government, already expressed in his demand for county reorganization and combination.

Train, automobile, telephone and radio had made people "all neighbors," he declared, and small units served only to lend confusion. Town and village government was already breaking down in Nassau and Westchester counties, where the small units were useless. Grade crossing elimination had proved impossible on the basis of village aid, he went on, and a constitutional amendment was now pending to make the counties responsible with the state.

On the question of health work, Governor Smith declared that the state was not doing nearly what it should, but that if the counties became more active their advance would be paralleled by the state.

Our readers will remember that Governor Smith earlier aroused the fears of county politicians by calling attention, in a message to the legislature, to the economies to be effected through consolidation of certain rural counties and the revamping of county government generally. But no sooner did the message reach the legislature than organized opposition to any "tampering" with the time-hallowed institution began. In vigorous language the president of the County Officers' Association pointed out that the sparsely inhabited counties have their own peculiar needs which would be ignored if they were consolidated with others. But what is more important—consolidation would disrupt existing political organizations in upstate counties which are overwhelmingly Republican. "It would take years," warned the president of the Association, "to get the organizations back to their present form."

This disaster, Governor Smith, being a Democrat, doubtless views without alarm. Nevertheless, it may be said in support of the honesty of his purpose, that the governor has also proposed an inquiry into the government of the five counties which comprise New York city and which are inalterably Democratic.

It is with a deep sense of regret and personal loss that we are compelled to record the death of Professor Victor J. West of Stanford University, who passed away on February 26 after a brief illness of pneumonia. There were excellent hopes of his recovery until the end and his death was a shock to everyone. Holding the deep affection of all because of his sterling personal qualities, he will be particularly missed by the National Municipal Review to which he was a frequent contributor and for which he always gave his services gladly.

CHICAGO'S MAYORALTY PRIMARY

BY OBSERVER

Ex-Mayor Thompson wins the Republican nomination after campaign of demagogy and is contesting the mayoralty election with Mayor Dever.

The Chicago election of February 22 was held for the purpose of nominating party candidates for mayor, city clerk and city treasurer, and also for the election of one alderman from each of the fifty wards of the city. Under the hybrid system prevailing, the city officers at large are chosen on a party ballot, while the aldermen are selected on a non-partisan ballot. In case a candidate for alderman receives a majority of the votes cast for that office, he is elected; otherwise a second election is held in which the highest two candidates contest.

ALDERMANIC ELECTION UNEVENTFUL

The aldermanic election was declared by the Municipal Voter League satisfactory, on the whole. It is believed that the next council, notwithstanding some serious losses, will be stronger than the present body. In ten wards there was no contest, in thirty wards a choice was made in the primary, and in ten wards a second election will be held on April 5. Inevitably a great deal of confusion is caused by this peculiar law, but it has not been possible to obtain from the legislature the right to choose the mayor and other citywide offices on a non-partisan ballot.

Some 650,000 voters took part in the party primary, or nearly 70 per cent of the registered vote. In view of the non-partisan aldermanic primary, as it is called, and the failure to enforce the provision of the law requiring that a voter may not change his party for primary purposes within two years, the voters paid relatively little attention to party lines. Nor would they have done so, if delegates had been chosen.

In the Democratic primary there was no real contest, as the present incumbent, Mayor Dever, was conceded the renomination. He was given a complimentary vote of 150,000.

LINE-UP IN REPUBLICAN PRIMARY

The chief center of interest was the Republican primary contest for mayor. Three candidates started in the race, Thompson, Litsinger and Robertson. Robertson, former commissioner of health under Thompson, and now supported by the forces of Lundin, former boss of the Thompson group, withdrew early in the race, announcing that he would run as an independent. Litsinger, a member of the board of review, the principal taxing authority of the county, and a contestant for the mayoralty nomination in 1923, entered the contest with the support of Senator Deneen and former attorney general Brundage. Thompson was aided by the forces of State's Attorney Crowe, ex-Senator Lorimer (now active again), parts of the old Thompson machine, and parts of the Brundage machine.

Litsinger made an energetic personal fight, but did not have over-enthusiastic support either from the Deneen group or from the Brundage followers, while he was unable to ally the independent Republicans of the large Republican wards who remained lukewarm toward him. His platform was a business administration on the positive side, and his campaign was featured by vigorous attacks on abuses under the Thompson administration. His defeat was forecast by all impartial observers ten days before the primary—a fact which itself tended to weaken him further. At that, he polled 160,000 votes, enough to win a nomination under ordinary circumstances.

Ex-Mayor Thompson's campaign was conducted upon a ballyhoo basis, not unlike that of the campaign of 1926 which Wooddy described so vividly in his study, *The Chicago Primary of 1926*. The Thompson army included a strong patronage force, recruited chiefly from Cook county offices. It contained powerful nationalistic elements, the strongest of which was the colored vote which went almost solidly for Thompson. In the second ward, for example, the vote was 16 to 1 against Litsinger.

SUCCESSFUL CANDIDATE ATTACKS KING OF ENGLAND

On the basis of these substantial elements in party warfare there was constructed a vaudeville speaking campaign with the former mayor as the chief entertainer. Preceded by two buglers he launched fearful attacks against the King of England, and proclaimed his campaign slogan of "America First". This was related to the municipal campaign by his threat to oust Superintendent of Schools McAndrews in 48 hours for alleged permission given to the teaching of disloyalty in the public schools. The former mayor also declared there was no spot in the Atlantic Ocean wetter than he, and announced that he would open up 10,000 new "places" under his administration. With this went the overtone, well understood, of a wide open town in the broadest sense of the term. The attacks upon his previous administrations (1915–1923) were branded as the inventions of jealous minds and lying tongues. "If you want to elect the greatest liar in Chicago, elect Ed Litsinger," said he. He proclaimed himself Bill the Builder, claimed credit for a generation's development of public improvements, and posed as the only real champion of the deep waterway.

The outcome of the Republican primary contest was the nomination of Thompson with 340,000 votes against the 160,000 of Litsinger. Of the 50 wards of the city Litsinger carried only one.

The real contest is between Mayor Dever and former Mayor Thompson, ending on April 5, and presenting a clear cut issue between types of administration.

STANDARDS OF ADEQUATE FIRE PROTECTION

BY GEORGE W. BOOTH

Chief Engineer, National Board of Fire Underwriters

Measurements such as any citizen may apply to the fire-fighting forces of his own city. :: :: :: :: :: :: :: ::

For more than a score of years the engineers of The National Board of Fire Underwriters have been surveying and assaying the fire defenses of the larger municipalities of the country and as a result of their experience have devised what is known as the "Standard Grading Schedule." This is in the nature of a detailed fire hazard diagnosis. The factors given particular attention include water supply and distribution, structural conditions, building codes, fire department equipment and operation, administration of hazardous occupancies, etc. The total scoring embraces 5,000 points, of which the fire department's share is 1,500. The qualifications of the chief

A Spectacular Fire Which Called into Action the Complete Fire Fighting Equipment of Four Municipalities departmental executive, company officers, methods of appointment, enlistment and promotion, retirement provisions and many similar items are given attention.

I

The number of engines or hose companies required by the schedule is predicated upon a formula devised in the light of experience and is based on total population and the motive force of the apparatus. The ordinary formula for motor equipment is 0.85 plus 0.12 P, the letter P representing the population in thousands.

Cities of over 20,000 require ladder companies equal to 1 plus 0.03 P, and an aërial ladder is called for in districts where there are five or more buildings four stories or higher. Reserve trucks should be provided in the proportion of one to five of those regularly in use.

In regard to the distribution of fire companies, it is held that in a mercantile or manufacturing district there should be at least one engine or hose company of the horse-drawn variety within a distance of one-half mile of every point, and a ladder company within a three-quarter-mile distance. If the apparatus is of the automobile type, one-quarter of a mile is added in each case. In residential sections, the distances may range from a mile to a mile and a half for engines and hose wagons and from one and one-half to two miles for ladder trucks.

The ideal company membership in high-value districts where the apparatus is horse-drawn, calls for the following minimums:

High Value District	*Day*	*Night*
Engine	7	9
Hose	5	7
Ladder	7	9
Water tower	1	1

Slightly smaller numbers are permitted in engine companies where only motor driven apparatus is employed.

Ladder companies equipped with quick-raising devices on the aërial ladder require one man less on each shift.

The addition of two men for each company on the night shift is due to the increased difficulty of operation at night.

As far as engine capacity is concerned, it should be two-thirds of the required fire-flow, as determined by the water supply grading, with credit given for available fire-flow at 50, 60 or 75 pounds residual pressure, depending upon the number of high buildings. Reserve engines should be provided so that if one-eighth of the number of regular pieces of apparatus are out of service, there will be no deficiency.

The equipment should include powerful stream appliances, such as turret-nozzles, deluge sets, siamese couplings, cellar pipes and ladder pipes. Water-towers are required in districts having more than ten six-story buildings.

All hose and ladder companies should be equipped with small extinguishers and it is best for hose wagons to carry chemical tanks of at least 35 gallons capacity, since the quick use of the small streams from these tanks is of material assistance in keeping down water damage.

Hose requirements call for at least 1,000 feet of 2½-inch, or larger hose, per company with an equal amount of reserve, and a loaded reserve wagon should be kept on hand for emergency use. Owing to the decreased loss by friction it is suggested that hose companies responding to alarms in congested districts carry 500 feet of 3-inch hose, and engine companies and other hose companies, 200 feet each. All hose should be tested regularly, since mere visual inspection will not reveal all defects.

II

An important requirement in the interest of fire department efficiency calls for the regular drilling of the men by an experienced officer, the exercises embracing training in modern methods of fire fighting and also physical culture. Discipline should be strict.

Equipment and Men Must Be of the Best to Cope With Fire Like This

While it is recognized that there are defects in the civil service method of appointment where selections are based entirely upon the outcome of examination, it is nevertheless believed that the appointment and promotion of all fire department employes under this system is productive of the most satisfactory operations. Political appointments have a number of unfavorable aspects including the likelihood of changes every few years. The best results are obtained where the fire chief and his higher officers are not subject to political pressure, or dismissal for party reasons. It should be appreciated, however, that retirement should take place after both officers and men have reached the point where their efficiency is no longer at par. It is believed that the retiring age should be the same as that which rules in the army and navy. A fire chief is, during a conflagration, under a strain comparable to that experienced by an army officer in battle, and he knows that if he is disabled at such a time, or makes an unwise move, the consequences may be disastrous both to life and property.

Building inspections should be made periodically by firemen and company officers, who should be empowered by law to enforce corrective measures.

Other factors taken into consideration in connection with fire department operation are response to alarms, actual performance at fires, and physical conditions that have to be overcome, such as obstructions due to overhead wires, railroad crossings, poor city pavements, and so on.

It is maintained that a good water supply system in a city where the fire department is poor, or vice versa, does not result in protection as effective as that which would prevail if both were only fairly good.

III

The fire alarm system is of great importance. Boxes should not be more than 500 feet distant from any building in mercantile and manufacturing sections and not over 800 feet distant in closely built residential areas. They should be of the so-called non-interference, succession type which in the case of simultaneous alarms permits each box to transmit its signal without confusion. Keyless boxes are favored since there is always a loss of time in obtaining the key from some neighborhood caché. The National Board recommends that there should be not more than twenty boxes on one circuit and that the fire alarm headquarters should be in a fire-resistive building, situated in an isolated spot such as a park or large square. The fire alarm system is marked for 550 points of efficiency, the police department for 50 and the building laws for 200.

Climatic conditions must likewise be taken into account since prolonged dry spells, or severe cold weather with heavy snow falls and high winds, increase the likelihood of fire and affect operations as well as the response to fire alarms.

GOVERNOR SMITH INTRODUCES THE CABINET IN NEW YORK STATE

BY JOSEPH McGOLDRICK
Department of Government, Columbia University

Not the least gain from the consolidation of the state's administrative organization is the opportunity it affords for a governor's cabinet and coördinated policy. :: :: :: :: :: :: ::

The Short Ballot Amendment approved by the voters of New York state in 1925, reducing the number of elective state officials to four and requiring the consolidation of all government activities into not more than nineteen departments, is now in force and effect. The first elections under the new amendment were held last fall. Governor Smith, a Democratic lieutenant governor and a Democratic comptroller were elected together with one Republican, Attorney General Ottinger. The legislation emanating from the Hughes Reorganization Commission also took effect January, 1927. Under these acts, the great welter of boards, bureaus, and offices that had constituted the government of the state were brought within eighteen departments.

As a corollary to the establishment of this new organization of the state's government, the governor has created, on his own initiative, a cabinet. The cabinet has no more status in law than the President's cabinet. As Governor Smith points out: "It is the right thing. Periodical conferences of department heads are a matter of routine in every big business establishment. They could not get along without such gatherings. The state, with its highly organized business, can even less afford to dispense with councils of that character." The institution is, therefore, likely to be continued by subsequent governors.

CABINET USEFUL IN TWO WAYS

The cabinet is likely to achieve two purposes: It will aid the governor in

FIRST MEETING OF GOVERNOR SMITH'S CABINET
Made Possible by Reorganization and Consolidation of Administrative Departments

determining the policies of his administration—his legislative program, his dealings with water power, the spending of the $100,000,000 bond issue authorized in 1925, and the other questions which press for solution. The cabinet is likely also to be an important aid to coördinated administration, the thing which Governor Smith emphasizes particularly. To quote him again: "The primary purpose of these meetings will be to bring about coördination and coöperation in the activities of the state, and to make the head of one department acquainted with what another department is doing. We want to benefit in common from the accumulated experience of all. Where the work of one department is as closely related to that of another, as we find in the administration of the state, it is of the highest importance that the department heads should be brought together to discuss problems of mutual concern which they must meet in common."

The governor's cabinet consists of fourteen officers, those invited to the first meeting being:

George B. Graves, assistant to the governor and head of the executive department.
M. F. Loughman, head of the department of taxation and finance
Robert Moses, secretary of state.
Colonel Frederick Stuart Greene, state superintendent of public works.
Sullivan Jones, state architect.
Alexander MacDonald, head of the department of conservation.
Berne A. Pyrke, commissioner of agriculture and markets.
Dr. James A. Hamilton, industrial commissioner.
Dr. Frank P. Graves, commissioner of education.
Dr. Matthias Nicoll, commissioner of health.
Dr. Frederick W. Parsons, commissioner of mental hygiene.
Charles S. Johnson, director of state charities.
Dr. Raymond F. C. Kieb, commissioner of correction.
Mrs. C. B. Smith, head of the state civil service commission.

This includes the heads of all of the state's departments except five. Two of these—the department of audit and control, and the department of law—are under elective officials, the comptroller and the attorney general respectively. In not inviting these, the governor suggested that their offices were routine merely. The attorney-general is, however, a Republican, and by reason of his election during the Smith landslide, one of the most conspicuous members of his party in the state. It is more than likely that were the incumbent a member of his own party, the governor would have included him in the cabinet. As it is, the governor has—as he has always had—his own legal adviser. The heads of the department of insurance, the department of banking, and the department of public service are also absent from the cabinet list. The first two are clearly routine, while the latter is presided over by the state public service commission, a quasi-judicial body.

SIX REPUBLICANS APPOINTED TO CABINET POSTS

The appointments of the men who have come to constitute the governor's cabinet occasioned considerable notice when they were offered to the senate at the first of the year. The governor was accused of political ambition when he included six Republicans in his list. The truth of the matter is that though all of the six are of Republican antecedents, no one of them has been actively identified with that party in recent years. In fact, all of them have been Smith Republicans during most of the Smith régime at Albany. A noteworthy thing about the appointments, aside from their high standards of excellency, is the fact that, apart from Mr. Moses, all of the others were already in office. Mr. Moses, as secretary of the New York State Association has long been one of the governor's closest counsellors and with one or two others had constituted a "Kitchen Cabinet."

While the cabinet has attracted particular attention, it is noteworthy also that the governor is developing a coördinating staff. The Hughes' Commission declined to recommend a department of interdepartmental relations, but the governor is developing his own staff in such persons as Mr. Graves, the assistant to the governor and head of the executive department; Mr. Moses, the secretary of state; Mr. Sullivan Jones, the state architect, the only person not a department head who has been made a member of the cabinet, and Mr. Wilson, the director of the budget. Mr. Wilson, though not having a vote in the cabinet, will attend its meetings. It was interesting to note that Mr. Moses, who as secretary of the state will have relatively little to engage him, was placed upon the three most important of the five committees appointed at the first cabinet meeting.

AGENDA OF FIRST MEETING

The first meeting was held on Wednesday, February 9. It is planned to have these cabinet meetings follow every two weeks. The proceedings are completely secret aside from what the governor discloses to newspaper men after adjournment. Apart from the members and those specifically invited to attend, the only persons present are the governor's assistant secretary, who acts as secretary to the cabinet, and a stenographer. The agenda or calendar of the first meeting as made public was as follows:

1. Purpose of meetings. Procedure—to be explained by the governor.
2. Reorganization problems to be outlined and discussed.
3. Schedule of all public improvement projects financed from bond issue and other sources to be discussed and ordered prepared. Procedure for keeping it up to

date. To be checked and discussed at each meeting.

4. Problem as to New York city office buildings. Appointment of committee.
5. Institutional problems involved in reorganization. Appointment of committees to coördinate work where several departments are involved.
6. Discussion of certain county and regional problems involving close relation between state and local agencies, county government roads and parkways, sewers and country health, etc. Committee to be appointed.
7. Discussion of exchange of personnel incident to reorganization.

The government of the state of New York is certainly one of the largest business undertakings in the country. The state has the third largest public budget in the United States, amounting to more than $200,000,000, being exceeded in size only by the budgets of New York city and the national government.

Such tremendous enterprises could not long continue to ignore the problems of administration and the lessons of business practice. Governor Smith has been accused of aiming to make a record with 1928 in mind. It would be hard to find a better way of bringing himself before the American people. It is unfair to attribute too much of the publicity which has attended his efforts to his own ambition. Circumstances have made him a national figure and the eyes of the whole country are upon him. Above all it is noteworthy that the governor's interest in matters of administration is not a new thing but has been a characteristic of his entire occupancy of the gubernatorial office.

THE SKYSCRAPER DOES CAUSE CONGESTION

MAJOR CURRAN COMES BACK AT MR. CORBETT

BY HENRY H. CURRAN

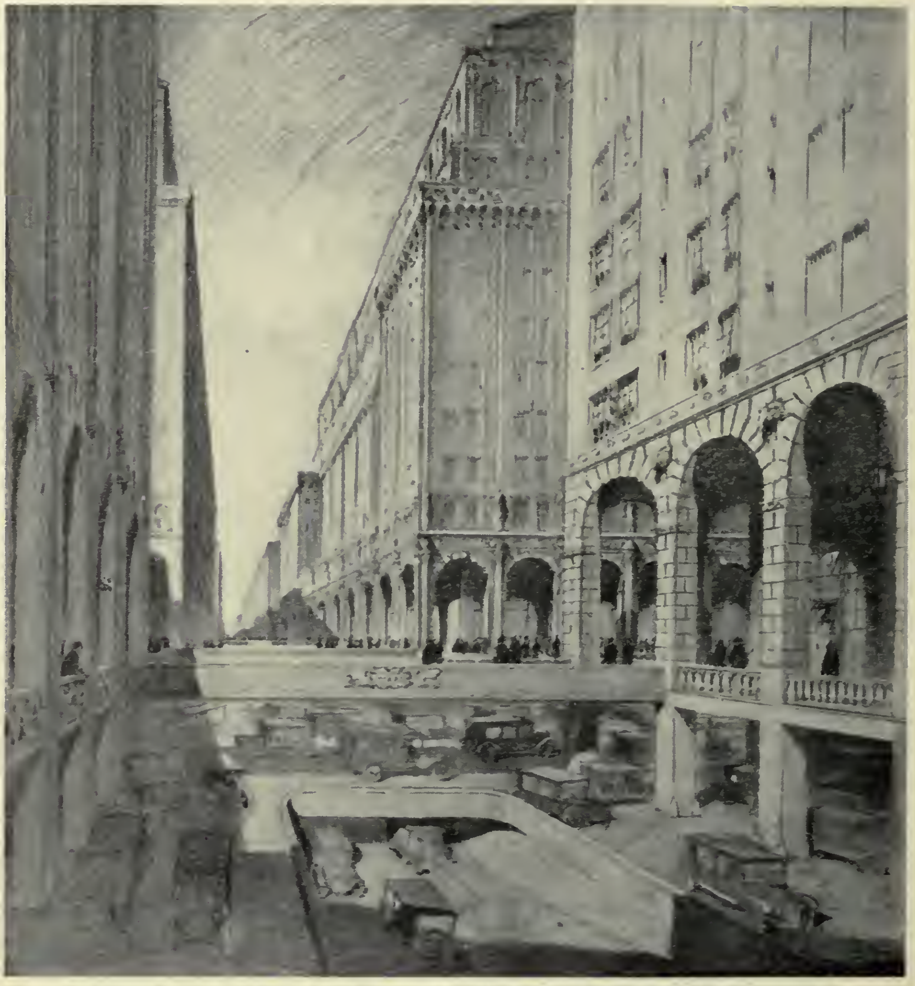
Counsel for the City Club of New York

A reply to Harvey Wiley Corbett's article, "Up With the Skyscraper," in the February REVIEW. :: :: :: :: :: :: ::

THE NATIONAL MUNICIPAL REVIEW is always brilliant, but its usual qualities are a deep, dim, dull, dismal, doleful drab, alongside the shining, shimmering, shameless brilliancy of the February article by Mr. Harvey Wiley Corbett, entitled, "Up with the Skyscraper."

Mr. Corbett is a delightful gentleman who makes his living by building skyscrapers. With a paternal solicitude he stands up for his elephantine children. They form a monstrous brood that seem, to me, to stand up pretty well for themselves, so that all may see; and so it is with something of a thrill that I discover, in the author of this article, their father.

And such a father! With paternal partisanship for his own children, the skyscrapers, he says that city congestion is caused not by the skyscrapers, but by the automobile. He believes that the skyscraper is as innocent as the driven snow of any part in the terrific congestion which so afflicts most of our American cities, and especially afflicts New York, where Mr. Corbett lives



A Three-Level Street of the Future as Visioned by Harvey Wiley Corbett
(See Author's Postscript)

and builds skyscrapers. In one of his most sublime flights, he accuses me of picking on the skyscraper, instead of roasting the automobile as the real culprit and cause of congestion, because, perhaps and forsooth, I have just bought a new automobile.

Let me hurry to declare that I am a humble man. I never bought an automobile. I never owned one, or borrowed one, or stole one. I never had one, in any way, shape or manner. My only automobile is the subway, where I find a surplus of company and a deficit of comfort. While Mr. Corbett rides above ground in his expensive limousine, and, as he looks up in the air, counts his profits from building skyscrapers, I am being hauled to and fro below the ground through a dark tube like a mole.

I repeat that I am a humble man, and that is one reason why I gaze with awe upon the delightful qualities of Mr. Harvey Wiley Corbett, who has filled six brilliant pages of the Na-

TIONAL MUNICIPAL REVIEW in trying to convince its readers that the skyscraper has nothing at all to do with congestion in the centers of cities.

WHAT ABOUT LONDON?

Speaking of living like a mole, as I do on a five-cent fare, it would be a wonderful thing to roam around the world with my good friend, Harvey Corbett. I should like to go to London with him in order to test his statement that London, which forbids skyscrapers, suffers from a congestion infinitely worse than that of New York, where we allow skyscrapers. I was in London three years ago, and was distinctly impressed with the vastly easier traffic conditions in that city, as compared with the troubles in New York.

It is true that London roadways are crowded. But they would be much more crowded if London allowed skyscrapers. More than that, the crowding of roadways in London is due to the fact that vehicles are able to use these roadways, and do use them, instead of being absolutely prevented from getting anywhere near them, as is the case in New York. Nor has London taken either of two steps to relieve roadway traffic, which skyscraper-ridden New York has already taken to the full, and still finds insufficient. London does not regulate street traffic by red and green lights, with alternating streams and one-way streets. Neither has London built anywhere near such a complicated and expensive net of subways as New York has found necessary. If skyscrapers should invade London, that city would go New York's way. Roadway traffic would be regulated by lights and such. Subways would be built indefinitely. Thousands of vehicles would be kept off the streets and out of London altogether. In short, London would become like New York. It is to her great good fortune that she forbids skyscrapers, and therefore is not like New York.

Incidentally, Lord Ashfield, chairman of the Underground Railways of London, has just stated, after a visit to New York, that "New York has more congestion than London." Who knows best—Lord Ashfield or Lord Corbett?

WHY THERE ARE FEW AUTOS IN WALL STREET

And, speaking of vehicles being kept out of the city altogether, there is a certain degree of hilarity in Harvey's suggestion that skyscrapers do not cause congestion because the Wall Street district in New York is full of skyscrapers, but not full of automobiles. The reason is that the automobiles cannot get to the Wall Street district. They cannot get within three miles of it. They cannot by any possibility of speed and comfort, get by the barrier that is formed by the skyscraper fence across Manhattan Island at 42nd Street. The only way an automobile can get to Wall Street without spending several weeks in the attempt, is to take wings at 42nd Street, go high in the air, then fly downtown, and alight in Wall Street—or else try to swim there, under the rivers. Automobiles are not yet capable of such modes of travel.

So it is the skyscraper after all that causes congestion in New York. In this case it is the 42nd Street skyscrapers which make such a mess of things uptown, that automobiles cannot get downtown to the Wall Street skyscrapers.

And will Harvey tell us by any chance whether the sidewalks and the subways down around Wall Street are crowded or empty? Down there the people do not travel in automobiles because automobiles cannot get there.

They walk on the sidewalks and also in the roadways. The roadways are full of people instead of automobiles, just as the subways are full of people. The Wall Street subways are just subterranean sardine cans, often opened but never empty.

In the old days there was a stockade across Manhattan Island at Wall Street, to protect the white people south of the stockade from the Indians north of it. The old stockade was a wooden fence, and Wall Street was named for it. The new stockade is a fence of steel and stone skyscrapers, and it stretches across the Island at 42nd Street, instead of Wall Street. The only way to get by it at all, is to dive under it and go down to Wall Street by subway, along with all the other humble human moles like myself.

VERTICAL TRANSPORTATION AND CONGESTION

But the most brilliant gem in the whole collection, is Harvey's statement that skyscrapers really decrease congestion instead of increasing it, because they take unto themselves such an enormous amount of vertical human traffic, and thus relieve the streets below of horizontal human traffic. Harvey says that "in downtown New York, the business man consults his broker, eats his lunch, sees his lawyer, buys his wife a box of candy and gets a shave all in the same building." Perhaps he does. Perhaps the business man's broker, and lawyer, and barber, and candy man, and lunch man, all happen to be in the same building with the business man. There may even be a manicure there, and a haberdasher and bootblack as well. There is an entrancing picture of home, sweet home, in the skyscraper.

But how does the business man get into the skyscraper? Is he born there? Does he live and die there, or is his home somewhere else, so that he has to leave his home in the morning, crush his way into the subway in order to get to work there, while he is buying candy and getting a shave? And does he perhaps go out to lunch instead of having it in the same valuable skyscraper where he does all his business? And does he leave the skyscraper and go home in the evening, or does he stay there all night? And what does he do about a week-end vacation? Is that also spent in the skyscraper? Does he go to the Yale-Princeton football game in the skyscraper, and does he see the Giants and Cubs play in the skyscraper? Does he go to the theatre, to a concert, to a prize-fight in the skyscraper? And last of all, does he go home to spend the evening with his wife in the skyscraper?

Of course Harvey's argument here is so brilliant that almost it seems to fail in substance. The iridescence of his imagination includes the assumption that a skyscraper is a man's whole world, and that he lives and dies inside of it, just as immovable as though he were the inner stem of an obelisk. As a matter of fact, the intolerable congestion of our streets and subways takes place, as Harvey well knows, mostly in the morning and the evening when the peak loads are caused by the people coming to work for the day in the skyscrapers and then leaving the skyscrapers at the end of the day to go home.

In New York we are even trying to get the 800,000 people who come to work every morning in Manhattan's skyscrapers, to stagger their working hours so they will not all arrive at the same time. But if we can do this, it will be only court-plaster. It will not cure the disease.

Not even the telephone has cured the disease—and the telephone keeps more people off the streets than all the candy-box skyscrapers in Christendom.

Is it true or not true that a 50-story building fully occupied, holds five times as many people as a 10-story building of the same lateral size and fully occupied? If you clump together several hundred huge buildings, each of them four or five times as high as the buildings of a generation ago, is it not perfectly sure that you will thus create a local congestion that cannot possibly be taken care of by the existing sidewalks and roadways, and can never be satisfied by subways, no matter how many you build?

Is Harvey really on the level with us when he spins this fairy tale about people being born, living and dying all within the skyscrapers, each in his own predestined skyscraper, which he never leaves while alive and never leaves while dead?

Of course you may be perfectly sure that Harvey and I really agree. These two articles are merely an incidental six-round bout between Mr. Corbett and myself. We have done it before, and we shall probably do it again. Harvey gets more fun out of it than I do, because his argument is based entirely on imagination. But I am limited, as well as humble. I believe all that I say.

And I believe, too, that Harvey is right when he says the "present development of the skyscraper is by no means ideal," and that it must grow "intelligently and rationally." So it must. All we have to do is to control it so that it is not done to death.

CONTROL, NOT ABOLISH, SKYSCRAPERS

My proposal is not at all to abolish skyscrapers, to kill them off, as Harvey assumes. My proposal is, on the contrary, to keep them, but control them. At present they are utterly out of control. They grow like weeds, in the wrong places and too many together.

The question is one of density of human occupation of any given cube of air resting on the earth. And that is all it is. Skyscrapers should be separated and spaced and kept within reasonable height limits so that human workaday population will be separated, scattered and decentralized, instead of all pulled into one small spot every morning and from every direction, and then being sprayed out from that same small spot again in the evening.

There is a place for skyscrapers that are beautiful. Harvey has given us a beautiful thing in his Bush Building. And there are other beautiful skyscrapers, towers and otherwise. But most of these towers are spoiled as soon as built, because an ugly skyscraper will go up alongside them, or because another tower, beautiful in itself, will rear up right next to the first tower, spoiling the beauty of both, and spoiling all possibility of human comfort in the streets below. We need a law that will preserve the occasional beauty and the attempted utility in the skyscraper, but will save at the same time, the safety and comfort of the streets below.

Is it such a wonderful attribute after all, to be just the biggest in everything? Are quality and beauty worth considering, along with quantity, size and ugliness? Do we consider them enough today?

To be very solemn and serious toward Mr. Harvey Wiley Corbett, I repeat that he is a delightful gentleman, with infinitely more insight than his article in the Review would indicate. He is a good citizen and a good man, and I am very fond of him. I am all the more fond of him because he has imagination—rich, rare and riotous!

P. S.—With great courtesy, The

Editor has reproduced, on page 230, Harvey's picture of a three-level street of the future, which appeared in the February number.

Gentle reader, take a good look at this picture; feast your eyes on Harvey's Inferno. Notice the truck devils delving deep down below in the dark. Watch Harvey's limousine and its companions flitting furtively about in the gloaming on the second level. See the citizens sadly looking down, from the third level, upon the diabolical roamings of the vehicles beneath. Glance upward along the steep sides of the cliffs, which stretch from Harvey's Inferno up into God's sunshine above—far, far up, and far beyond attainment by the human ghosts buried in Harvey's Inferno below.

We are still a nation of prairies and plains and far mountains—and yet Harvey would have us forego our freedom of motion, and tie ourselves up into a pulsing pretzel of interwoven moles, squirming under the overshadowing masses of his skyscraper brood.

Harvey's Inferno—how long, O Lord, how long?

TALL TAXES FOR TALL BUILDINGS*

BY ALBERT S. BARD

Member of Citizens Union Legislative Committee; City Club State Committee; Treasurer Fine Art Federation of New York; etc.

Mr. Bard believes that present methods of valuing real estate for tax purposes are unjust as between buildings erected under changing zoning conditions and suggests a tax differential. Mr. Bard is a New York lawyer well known for his civic activities, among which are his services as member and counsel of the National Committee for Restriction of Outdoor Advertising. :: :: :: :: :: :: :: ::

When the writer first came to New York to live in the eighteen-nineties the era of steel construction and tall buildings was just under way. As he went about the city he found tall buildings going up, seemingly upon the principle of the maxim, "Do unto your neighbor what he would do unto you—only do it first." Skyscrapers were going up not merely upon the principle of erecting as tall a building as economic conditions seemed to justify, but also upon the theory that if you could get your building up first, it would appropriate to itself so much light and air that your neighbor would be discouraged from putting up a similar building. With both of them side by side neither would be attractive. The second builder could only lose money by erecting his similar building, and he would hardly be likely to sink millions just to spite a predatory neighbor. In other words, tall buildings were going up which in effect stole from their neighbors light, air and value almost as directly as if a builder should steal a part of the lot next door and build upon it—all upon the legal theory that a man might do as he pleased upon his own land.

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* An extension of a discussion begun by Mr. Bard in the February number, and continued by others in the March number, of The American City.

The question naturally suggested itself, What can be done to prevent such injustices? "City planning" was then in America little more than a name, except so far as it related to laying out streets and parks and restricting against nuisances. The "city beautiful" was then an ideal, but little thought was being given to the city convenient, the city healthful, the city just and neighborly. Exploitation was to the fore, and protection against exploitation to the rear. As exploitation progressed, the prohibition of new outrages through the creation of height limitations was the obvious and rather simple remedy proposed.

But it was seen that a tall building might be both beautiful and convenient, and the question arose whether anything could be done to equalize the situation as between the outrageous development of property and the contrary. Must there be the same rules for the hog and the human? Must virtue and civic spirit be penalized? Must the unneighborly neighbor be treated just like a neighborly neighbor? The obvious ideal would be some method by which the exploiting owner might be made to pay to his exploited neighbor the damage done to the latter's property through the erection of the tall building. But America

New Transportation Building Across Street From Woolworth Tower

Such buildings make excessive demands on city services and should bear heavier taxes, Mr. Bard believes lacked the restraining influence of the English doctrine of "ancient lights." There was no recognized standard, either legal or moral, to apply in defining the conflicting rights of light and air claimed by neighbors. If they had inherent rights because of mere ownership, it was not clear that the state or a municipality could change them. Even what was desirable was not clear. Moreover a whole city of sky-scrapers could be built before the notoriously conservative courts could be induced to define private property rights in terms of protection rather than in the time-honored terms of exploitation to which America has been accustomed from the beginning. It seemed quite hopeless to expect any adjustment between neighbors through compulsion of payment for damage. And so the question suggested itself whether, even though the rain must fall alike upon the just and the unjust —upon social and unsocial behavior— must taxes?

But the city must suffer many years from the unrestricted tall building and the unneighborly neighbor before there could develop that public opinion necessary to any form of general restriction and regulation.

ZONING DID NOT DESTROY ALL INJUSTICES BETWEEN NEIGHBORS

Then in 1916 came the New York City zoning resolution, and some time later its final recognition and establishment as law. And here there was a certain measure of restraint for the extreme and undiluted hog.

But the old injustices between neighbors remained. Old offenses were allowed to stand. No one advocated or advocates today the tearing down or truncation of tall buildings which were legal when erected. Meanwhile we were observing what was happening under the new regulations which, in addition to fixing very liberal, and from many points of view, undesirable height limitations upon the street lines, also contained very mild setback requirements as the buildings rose higher, and permitted a tower, unlimited in height, to rise upon twenty-five per cent of the lot area. Year by year we find the area of building units growing and the seemingly unlimited skyscraper rising into loftier and loftier skies.

And thus it has come about that there is now a general acceptance of the proposition that the zoning regulations should be much more drastic than they were made in 1916. Indeed, the framers of those regulations have always admitted that the restrictions were made much slighter than they desired. They feared, however, to go too far, lest in the face of general antagonism the courts might declare the restrictions unconstitutional and throw open the door to unlimited grabbing of light and air. Accordingly, it is now plain that with the application of more restrictive rules we shall soon have a second crop of injustices as between neighbors, for the buildings will soon be in three groups: (1) the wholly (or comparatively) unregulated buildings erected before the 1916 zoning resolution, which will constitute a sort of first preferred class of buildings, which no longer may be built; (2) the buildings erected under the 1916 restrictions; and (3) the buildings soon to be erected under revised restrictions. And this process may be expected to continue from decade to decade—changing standards, and in their wake a series of preferred classes of buildings as experience drives a city to more and more restrictions.

HOW CAN INEQUALITIES BE IRONED OUT?

So we are confronted with the question, What can be done to equalize the divergent economic conditions presented by these various classes of buildings?

There are those who frankly claim that they believe in a policy of complete condonation. Let bygones be bygones. Fix your new restrictions and compel all future buildings to conform to them, but let the old buildings alone, to occupy their various preferential situations, as the cases may be. They were legal when they went up. It is unfair now to penalize them.

But this seems to the writer wholly to overlook the new preferential treatment which such buildings receive at the hands of the law. Hangovers from previous eras receive an economic preference and advantage just as if they were granted leave to constitute themselves arbitrary exceptions to the new regulations. Why then should not this new preferential treatment be offset by a tax differential? The proposal suggested is a surtax on buildings which exceed the recognized legal restrictions of the moment, in order to equalize an economic advantage bestowed upon them by law.

Please note that the proposal does not strike at mere height as such. There is a growing recognition of the principle that the problem of the tall building must be met by restriction of volume, rather than by mere restriction of the percentage of lot area to be occupied, or by restrictions involving street cornice line and setbacks, although these are desirable as supplemental factors. Traffic problems demand a limitation of volume in proportion to street capacity. Limitations based upon a relation of volume to lot area are not sufficient, as experience now demonstrates.

Street traffic and rapid-transit factors are forcing us to consider bulk limitations. Hygiene and street congestion are forcing us to consider more open areas. These considerations are the basis of the arguments of those who would abandon the tall-building method of development and who propose so to frame their restrictions as to compel wide areas of low buildings. Opposed to these are those who believe that for certain purposes and in selected areas the tall building is essentially economic and desirable and that problems of street traffic, transit and hygiene should be met by limitation of volume, leaving the owner to build practically indefinitely into the air, if he so desires, provided he makes up for this by leaving open space at the ground and/or at various levels of his building.

For the present at least, the tall building exponents seem to have the best of the argument. They point out the extent to which vertical travel in elevators takes the place of horizontal travel in streets; that street traffic problems are the direct result of vehicular conditions rather than the result of tall buildings, and they cite in illustration of this the congestion of London and Paris (both cities of comparatively low buildings) and the freedom from vehicular congestion of lower Manhattan as contrasted with the Forty-second Street district, both areas of tall buildings. They urge that, with one acre to build upon, it makes no difference with respect to street traffic or rapid transit whether the owner builds over his entire acre up to five stories in height or builds upon a quarter of an acre up to twenty stories in height, or upon an eighth of an acre up to forty stories in height. Of course this is an excessive simplification of the illustration, because there are serious additional factors connected with elevator service in a tall building, increased cost of the building per cubic foot and the like. Nevertheless the example serves to illustrate the principle. And so it comes about that there seems to be a growing general agreement that the answer to the congestion problem is to be found, if at all, in limitations of building volumes which shall bear some relation, more or less direct, to street areas, although it must be admitted that even here variations in the use of buildings (whether for manufacturing purposes, residences, offices, department stores, etc.) will create a variety of burdens upon the neighboring streets. Mr. Frederic A. Delano, chairman of the Regional Plan of New York and Its Environs, in his article in *The American City* for January, 1926, said, "Volume limitation is an immediate necessity."

A SURTAX ON EXCESS BULK

From what has been said it must be clear that a surtax upon a tall building need not be a tax on mere height. If the normal be defined in terms of volume, a surtax would be a tax upon excess of volume over and above the norm.

Seemingly, then, we are back to the original theme. Whatever standard is adopted for our limitations, whether volume or height or something else, or a combination of all of them, new restrictions create and will create economic differences as between existing buildings and new ones. We must assume that the new standards will be better standards and will better define the limitations of reasonable building. What, then, shall we do with the existing violators of these standards? And, next, what shall we do with buildings conforming to these newer standards if and when further changes are made and further restrictions imposed?

In my opinion we should not adopt the principle of complete condonation, but should make an effort to equalize the new economic situation in which the different land owners find themselves. My proposal is that there should be a normal rate of taxation for a given volume of building (assuming volume to be adopted as the basis of restriction) and that buildings exceeding these restrictions should pay a surtax or surtaxes in proportion to their excess over these limits. As restrictions change and buildings fall into or out of preferential situations, they would become subject to or exempt from the surtax.

Accordingly, the title of this paper ought not to be so much "Tall taxes for tall buildings," or even "Punishment taxes for robber buildings," or "Grab taxes for grab buildings," as "Equalizing taxes against specially favored buildings."

An additional basis for a tax differential is the excessive demand upon municipal services which tall buildings entail. The factors of street area and transit service have already been mentioned. In addition there are extra requirements for traffic police, the extra cost of building inspection, original and occasional, and the extra cost of fire apparatus and high pressure water mains. Other municipal services like sewers and ordinary water supply are also directly affected by the concentration of building volumes or tall buildings, although one must admit that there is more than one way to figure these costs. A front foot or a square foot basis will not give the same results as a per capita basis; nor a square foot *ground* area basis the same result as a square foot *renting* area basis. Nevertheless, after making all possible qualifications on account of disputable points, there remains sufficient residuum to sustain a surtax upon the principle of taxation according to municipal burdens. This may be regarded as taxation in proportion to benefits received (upon the same principle as assessments are laid for local improvements) or in proportion to the municipal services to the particular real estate in question, whichever way one wishes to state it.

PUTS A PREFERENTIAL ON PREFERRED BUILDINGS

In reply to those who favor a policy of complete condonation I would also point out that mere inequality between buildings of successive and different standards of regulation creates an undesirable lag in the tide of improvement. The application of a surtax against non-conforming buildings, with a resultant equalization of economic conditions, or to put it more briefly, the imposition of a preferential upon preferred buildings, would make it easier to bring about the imposition upon real estate of new standards demanded by experience; indeed, their acceptance by real estate. My proposition is this: The straight taxation of capital values in real property amounts to unfair taxation as between various parcels or classes of real property. This injustice causes a lag in the tide of municipal improvement and is an obstacle to the enactment of regulations which are greatly desired. A city hesitates to put regulations into effect because they may be unfair as between owners, because they will benefit A, while hurting B. Land owners who are confronted with the proposed new restrictions plead that others have already built in violation of the new restrictions and they should now have the same privilege.

One is justified in asking the one-hundred-per-cent condonationists why they object to the equalization of economic conditions by means of a tax differential? It is no answer to say that bygones should be bygones, because bygones are *not* bygones. The law is being changed, and thereby a preferential position is being conferred upon non-conforming buildings. If the city grants with one hand, why should it not take with the other?

Objection is made that the imposition of a preferential tax upon preferred buildings is double taxation. The writer does not follow this argument. It seems to him that what we are taxing is an entirely new thing, namely, the preferential treatment received by the non-conforming building. Whether it be termed an excess volume tax or a tax upon a preferred site or something else, we are merely taxing a privilege which is denied to the next-door neighbor.

In my opinion it would be a wholesome thing for the community if it were generally known and understood that an unneighborly neighbor, erecting a building upon the theory that he may gain an unfair advantage at the expense of his neighbors solely by reason of his early "improvement" of his own lot, will not permanently, nor long, enjoy the fruits of his appropriation of his neighbors' property, but that the equalizing hand of taxation will reach him later. In these circumstances he may pause and think twice before he builds. He may modify his building plans to conform to more neighborly standards.

Nor is it any answer to say that such a system would be a retroactive law and unjust. The injustice lies with the present law, which places a premium upon robbery and monopoly when once accomplished, and which protects the fruits of unsocial conduct. A truly enlightened system of law would not offer sanctuary to the robber landlord simply because he can reach the altar of predatory construction before the hand of the law can reach him. It would be wholesome for the robber landlord to appreciate that justice is to overtake him finally, even though it lags behind.

PRESENT ASSESSMENTS DO NOT PROVIDE DIFFERENTIAL

A more serious consideration seems to me to be the argument that the differences described can be taken care of in the assessed valuations of buildings—that a preferred building will earn more, and so will be worth so much the more, and will, or may, be assessed accordingly. My answer is two-fold: First, buildings are not assessed for taxes, except indirectly, upon an income basis. If they were it would accomplish an economic equalization between conforming and non-conforming buildings. There would be certain objections to such a method. Bad planning and bad management would avoid their economic penalties. Good planning and good management would lose their economic rewards. But it is certainly true that the capital value tax now imposed on real estate is a very different thing from an income tax, and is likely to remain so. At present, capital values take account of cost, reproduction values, depreciation and the like, according to somewhat conventional rules. Income is only one factor, and an indirect one at that.

In the second place, under any system of capital valuations, the income factor, which might be used to level injustices if frankly applied as a measure of values for tax purposes, operates to the contrary; the capital value of property A is affected not alone by its own income, but also by the income of properties B, C and D in the same neighborhood. In other words, the capital value of property A depends in part upon its *potential* income, not its *actual* income, and this is especially true with respect to land values as distinguished from building values. Its assessed value is an estimate of what it would be worth if used in a certain way, not as it actually is. So it seems to me that so long as real property taxes are based upon estimates of capital values, there is bound to be economic inequality between conforming and non-conforming buildings which flows exclusively from that difference.

IS A TAX DIFFERENTIAL CONSTITUTIONAL?

Whether taxation according to the tax differential principle herein suggested would require constitutional amendment in any state would depend upon the language of the present constitution. A mere requirement that taxation must be "equal" would not seem to be an obstacle. "Equal taxation" admits of appropriate classification of the subjects of taxation. The only question is whether a class of property subjected to particular requirements forms a legitimate class. If under a constitutional provision that taxation must be "equal," some property may be taxed while other property is made wholly exempt, it would seem to be perfectly constitutional to tax one class of real property at one rate and another class at another. The only question would be whether the two properties are really in different classes, *i.e.*, as to the soundness of the reasons for discriminating between them. And it is submitted that differences (a) as to advantages permitted to different properties, and (b) as to municipal burdens created by such properties, create a sound basis for a difference in classification for tax purposes, if a legislature so desires.

But it makes no difference with the main argument whether such taxation is at the moment constitutional or not. If the principle be sound and if it be found to be a real amelioration of a real evil, constitutions may be changed.

Will the courts sustain legislation creating land surtaxes of the kind suggested? Probably not without a great deal more education than many of them now have. Courts are notoriously conservative and many of the judges are poor students of current economics and social science. Even when intelligent enough to see, they feel that they lack power. They are tied hand and foot by bonds of precedent which they have not the courage to break.

But this does not essentially affect the proposal. An evolution in the law has taken place under our very eyes with respect to the whole subject of zoning. Some states today judicially declare themselves helpless, although they are really only psychologically inhibited. On the other hand, the Supreme Court of the United States and the New York Court of Appeals have recognized the legal soundness of zoning in its broadest aspects. The inhibited states may be expected gradually to free themselves from their inhibitions.

A similar evolution has been taking place in the recognition of æsthetics as a justifiable ground for the exercise of the police power. At first it was vehemently denied that æsthetic considerations could be made the basis of any legislation whatever. Then land owners and the public began to wake up to the fact that they were suffering monetary damage to property values and were being outrageously exploited by the outdoor advertisers and by the exploiters of land areas, and it was seen that such decisions were merely a shutting of the judicial eye to facts. Now the courts recognize that æsthetic considerations may have a place in land regulation, provided it be subordinate and incidental to the exercise of the police power upon other grounds. We may hope that in time æsthetic considerations may be frankly and completely accepted as a proper basis for the exercise of police power.

One further word may be added to the discussion of a surtax as a method of affecting the volume or height of tall buildings. Is it a proper means of bringing economic pressure to bear upon landlords in favor of lower buildings? It is argued, on the one side, that restrictive standards should be set and enforced, and that no privilege to evade or modify them should be bought at the price of higher taxes. On the other side, it is urged that such a privilege would operate within a certain narrow region to make restrictive provisions more elastic; that sites in any city vary so much in *potential* value, depending in part upon their use, that some sites will stand an additional economic burden, while neighboring sites, less favorably situated, will not; and that the right to purchase a more intensive use at the price of a higher tax would give a certain elasticity in dealing with particular sites. However this may be, this is a different question. This paper deals with the building surtax, not as pressure put upon the landlord to keep his building low, but as an equalizing economic factor between landlords unequally treated with respect to building restrictions. Both problems are alike in one respect. They suggest the just use of law to direct and modify economic forces for the good of the community. We may remind ourselves of Rousseau's remark, that when virtue and self-interest pointed in the same direction, he found it less difficult to be virtuous; and so, abandoning the direct struggle for virtue, he gave his attention to the easier problem of creating conditions in which virtuous action would promote his own interest. Here is a suggestion for city planners and law makers interested in either question.

THE LEGALITY OF A SURTAX UPON BUILDINGS OF EXCESSIVE VOLUME

COMMENT BY FRANK B. WILLIAMS

MR. BARD has evolved a plan for the supertaxation of the building of undesirable bulk in favor of which much may be said. The original suggestion along this general line was that in addition to the tax of the usual percentage of the value of such a building and the lot upon which it stands, a second tax, at any proper rate, be levied upon the value of that part of the volume of the building which exceeded the desired norm. This crude scheme is clearly double taxation in its most objectionable form, which we are not likely to escape from by any probable constitutional change.

Much of what is popularly known as double taxation—as for instance, a tax on real estate against the owner, and a tax on a mortgage on that real estate against the holder of the mortgage—is unobjectionable in law and is often resorted to. Technical double taxation consists of two taxes: "(1) imposed upon the same property, (2) by the same state or government, (3) during the same taxing period, and (4) for the same purpose"—without taxing all the property in the jurisdiction a second time.[1] Such taxation is universally condemned by the courts as contrary to the policy of the law. It is often said by the judges to be within the power of the state, but such an authority as Cooley doubts whether the highest court of any state or any federal court has ever directly upheld such a tax, or ever will do so.[2]

The merits of Mr. Bard's scheme so far removed from double taxation in this form, I need not repeat. Many experts in taxation decline to follow him in any such direction. They admit that taxation has often been used for other purposes than the production of revenue, and deplore it. They believe that, so limited, its difficulties are many and its shortcomings severe; they do not believe that real reform lies in further departures of this nature. I am not attempting, in the brief space at my command, however, to sum up the entire case for or against the plan, but only to point out certain legal difficulties not likely to be removed by constitutional amendment.

And these difficulties are in the application of the scheme. The legality of taxation according to benefits received or burdens imposed upon the community may be freely admitted; there still remains the task of devising a classification for either of these purposes which will be reasonable. I find difficulties in doing this so great that I am in grave doubt whether it can be done; and, if not, the scheme on its legal side would seem to be unsound. It has been calculated that an office building of fifteen stories, a loft building of nine stories and a department store of three stories, covering the same area, produce about the same amount of street traffic. How, then, can a classification of these buildings, for purposes of taxation, in accordance with their bulk, be based upon such benefits or burdens? A legal principle of this nature is not fully stated until it is put into the concrete form of a law. Mr. Bard has made a promising beginning; let us hope that his task will be completed, in order that we may judge his proposal fairly. It certainly merits the fullest consideration.

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[1] Cooley, Taxation, 4th Edition, Sec. 223.

[2] *Ibid.*, sec. 224, especially note 30.

MUNICIPAL REPORTS

BY CLARENCE E. RIDLEY

School of Citizenship and Public Affairs, Syracuse University

How we can improve the art of municipal reporting to citizens and taxpayers. :: :: :: :: :: :: :: :: ::

It is axiomatic that a report which fulfills the purpose of its creation must be read. There is only one way to have it read—that is to make it readable. The time should be past when the annual report may be merely a document decreed by law or custom and designed primarily for the purpose of conserving financial statistics and historical facts. These data have their value but not in an annual report intended to be read by the public.

SHORT PERIODIC REPORTS FOR EMPLOYEES

This brings us to the important question so fundamental in report writing, viz., for whom is the report prepared? This question settled, the main problem of writing a report is solved.

For instance, daily, weekly, monthly and special work reports should be intended primarily for the information and benefit of those directly responsible for the administration of the city's business. In other words, they serve largely in the capacity of control agencies and should be designed with two motives in view. First, the information required on these shorter periodic reports should be such as to be useful for the administrator in his exercise of control over the various departments and bureaus wherein they originate. In the second place, all types of reports ranging from the daily report to the special work reports should form the successive bases of a subsequent report until the pertinent data finally culminate in the annual report.

IMPORTANCE OF PERIODIC REPORTS

As sound judgment must be based upon proper and accurate information, it is evident that the design of these reports is a task of great and far-reaching importance. If the public administrator will realize that the railroad president with his large administrative responsibilities is only able to exercise efficient control over the far reaches of his tracks by means of such periodic reports, then the administrator will foresee their indispensability for effective city administration.

THE ANNUAL REPORT INTENDED FOR WHOM?

So, also in a discussion of the annual public report an answer must be found for the question, for whom is it written? This answer is more involved for in the past this report has attempted to serve two distinct groups of readers, possibly three if that group of the city's employees interested especially in administrative data concerning their respective offices is included. As matters of peculiar interest to this third group should be disposed of in the other periodic reports heretofore mentioned, it may be eliminated in answering the above question.

There now remains for consideration two groups of readers: (1) the general public and (2) the administrators of other cities who are attempting to find sources of comparative data with which to compare their own work. Obviously the same data similarly presented will not serve more than one group of these readers. The attempt some report writers have made to serve more than one group partly explains the mediocrity and in some cases the utter uselessness of many municipal reports.

NEED FOR STANDARDS OF ADMINISTRATIVE EFFICIENCY

Any attempt to serve the administrators of other cities before standards of administrative efficiency are worked out which easily lend themselves to comparisons would appear to be futile. A great service to municipal government will be rendered by the design of such standards which may be universally adopted. Therefore, with full recognition of the great need for such a service that the municipal report of the future should serve, for the present let our "readers" be narrowed to that important group who are paying the bills—the general public of the city in question. To draw the specifications of an annual report which will be read or at least will attract the attention of this group is the real problem to be considered and forms the answer to the question above.

PURPOSE OF THE ANNUAL REPORT

The purpose of the report should be to inform the taxpayers of what their administration is achieving, of the attempts to meet the needs of the people and the cost of these activities. This means not so much an attempt to justify previous actions but an effort to secure sympathetic support where the facts justify; perhaps it should be added to obtain criticism where again the facts justify. It should not, therefore, be a pretty picture book jammed with concealed propaganda to win an election.

It would appear that a combination of the proposed budget for the ensuing year with a report of the accomplishments of the past year for each important activity could serve a very useful purpose if the data were placed on opposite pages to aid in comparing and analyzing changes. Surely an administration should account for their past stewardship before asking for a further trust.

SOME ESSENTIALS OF A GOOD REPORT

There are several essentials of a good municipal report which should be kept firmly in mind. In the first place, it should be characterized by at least three important requisites, viz., promptness, conciseness and attractiveness.

Promptness. The report should be published shortly after the end of the period covered, at least within four to six weeks. In this day of the radio and the news reel the general public will not give serious attention to a report which loses most of its value during the first six months and all of it by the end of one year. Perhaps it will have a value to a very select few. A report, the facts of which are several months old when published, deserves the fate it invariably receives—the waste basket.

Conciseness. The report must be concise and definite. If the content is discriminately selected, forty to fifty pages of a convenient size, including all charts and pictures, will contain sufficient information. At any rate, a larger report will lead to obscurity and overwhelm the public by its very bulk. If one doubts that a great deal of meat can be packed into a small space, he should consult the report of a railroad, an insurance company, or a large banking house. Competition must be made with newspapers, magazines, movies, etc. Therefore, the report must be made both attractive and interesting. This should not be difficult for the material has a real human interest. The caution is that it be not killed in the process of preparation.

Attractiveness. Attractiveness should not be attempted in the form of a gaudy cover but rather in the effort to bespeak economy with dignity, by a neat cover with perhaps a picture or a chart representing the outstanding accomplishment of the year. The reader may, therefore, be the easier attracted to the contents within. Neither should the contents attempt attractiveness by "scare" headlines, or sensationalism. Attractiveness can be best obtained by dignity and personality. The report should contain both.

MADE INTERESTING BY PICTURES AND CHARTS

In order to make the report interesting, each page should employ if possible either a picture or a chart. Charts and pictures should not be selected merely to "break" the page, but rather because they tell a story. This is not an easy matter, yet it is one that is essential if the report is to be read.

An attempt is frequently made to show too much on a graph or chart. It is best to have more charts than attempt to tell too many things on one chart. Complicated charts defeat the purpose for which they are intended as well as lessen the interest in the remaining part of the report. Of course, charts and pictures should always be placed in or very near the reading matter to which they relate.

PREPARATION OF MANUSCRIPT

In regard to the actual preparation of the manuscript, it can doubtless be done best by each department. Following this preliminary preparation it should be reviewed and arranged by the chief administrator and then edited by some one either in or out of the organization who appreciates the viewpoint of the average reader. Needless to say, the report should be free from half-truths, propaganda and prejudices. Comparisons should be made with previous years and if possible with other cities, even though such comparisons are unfavorable.

If another city has been found to have a better record, it should be acknowledged with a statement that an effort is being made to equal it. Quite obviously this will increase public confidence in the report and give evidence of honest intentions.

SIZE, COST AND DISTRIBUTION

The report should be of a convenient size (6″ x 9″ is the most common size) and be printed on good paper of a type easily read. Different activities designated by separate headings and marginal indices will increase the ease of reading. In short, it should be constantly kept in mind that the report must be quite generally read or the effort has failed and consequently those essentials which will make the work more attractive and interesting should be a continuous guide. Economy of words is a good maxim to follow. The cost of such a report of forty to fifty pages, including half-tones, will vary from ten cents to forty cents depending upon the amount of art work done, kind of material and number printed. Every home in the city should receive a copy. As to whether they should be mailed, delivered by a patrolman, or distributed by the Boy Scout organization, as some cities have done, is a matter governed largely by local circumstances.

ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

I. THE TREND OF FEDERAL EXPENDITURES

BY J. L. KEDDY, PH.D.

This is the first of a series of articles which will cover governmental expenditures in city, county, state and nation. :: :: :: ::

A QUARTER of a century ago, following the war with Spain, our national legislature was dubbed "the billion dollar Congress," and Speaker Cannon retorted, "This is a billion dollar country." By 1916, our annual ordinary expenditures had doubled, and the assemblage on Capitol Hill might quite properly have been redubbed "the two billion dollar Congress." During the next three years, the World War required the expenditure of $34,000,000,000. Then, from a peak of eighteen and a half billions in 1919, expenditures took a sharp drop. In 1920, they stood at $6,482,000,000, 1921, $5,538,000,000, and 1922, $3,795,000,000, excluding the postal service. Federal expenditures at last seemed to be approximating more normal figures.

In June 1921, Congress authorized the establishment of the budget bureau as an instrument for the more careful planning of the annual fiscal program of the federal government, and as a complement to that bureau, it created the general accounting office to facilitate control of expenditures throughout the fiscal year. In keeping with the centralization of power in the executive branch of the government, Congress at its next session concentrated authority over appropriation bills in the hands of two committees, one in each branch. Each of these committees organized a group of subcommittees, specializing on particular departments and independent establishments. As a corollary to all these efforts toward more effective planning and control of expenditures, a joint congressional committee cooperated with the President and determined whether a better adjustment of the federal administrative machinery would permit any appreciable reduction in cost of operation. This committee reported to Congress a plan to make certain improvements in the existing organization of the executive branch of the government, but made no claim that such improvements would reduce federal expenditures.

$3,500,000,000 IS ROCK-BOTTOM

What are the results of the efforts of the various agencies cited above? Despite vigorous and persistent activity on their part, it appears impossible to reduce the ordinary expenditures of government, excluding the requirements of the postal service, below the three and a half billion mark. The following table illustrates this:

1923	$3,697,000,000	Actual expenditures.
1924	3,506,000,000	
1925	3,529,000,000	
1926	3,584,000,000	
1927	3,643,000,000	Estimated expenditures.
1928	3,572,000,000	

Ever since 1909, when Senator Aldrich astounded the country with the declaration that the budget (then totaling roughly $700,000,000) could be slashed $300,000,000, without hampering the federal government, the statistically inclined citizen has been wondering if such an amazing reduction in costs were possible. Like the $29,000,000 fine imposed on the Standard Oil Company by Judge Landis years ago, this $300,000,000 figure has become one of the famous arithmetical expressions of recent history. Both sums received extensive publicity, and the echoes of Senator Aldrich's assertion reverberate to this day. Such statements, however, are significant chiefly because they are gross inflations of the real facts. The thing that arrests attention in recent fiscal history is that $3,500,000,000 appears to be the irreducible minimum of federal expenditures from this date forward. President Coolidge, Director of the Budget Lord, and leaders of the House and Senate have all stated that further large cuts in appropriations would not be constructive economy, but would seriously cripple the conduct of federal activities. The claims that reorganization of the executive departments and independent establishments and elimination of alleged duplication of work would facilitate the saving of startling sums have proved to be chimerical. The task which the leaders of the party in power have set before themselves now is the squeezing of full value from every dollar spent, the rejection of any new national projects requiring federal aid, and the most economical financing of such new activities as are deemed to be indispensable.

COMPARISON WITH PRE-WAR YEAR

With $3,500,000,000 as the rock-bottom of future federal expenditures, let us analyse in a general way the several major functions which have to be appropriated for from year to year and compare the amounts expended in 1915 with those expended in 1926.

	1915 Expenses	1926 Expenses
General administration	$51,000,000	$115,000,000
Military functions	436,000,000	1,178,000,000
Civil functions	221,000,000	516,000,000
Public debt, refunds, trust funds	52,000,000	1,776,000,000
Total	$760,000,000	$3,585,000,000

The differences between the cost of government in 1915, a normal pre-war year, and 1926, a normal post-war year, are obviously remarkable, but the causes therefor are not hard to find. In the first place, the United States is now paying the bills incurred on account of the World War. The handling of war finances requires the extraordinary outlay of a billion and a third dollars, *i.e.*, the collection of taxes, the payment of interest, and the retirement of the public debt. Second, the maintenance of the disabled veterans of the World War adds another four hundred millions to this item. On the other hand, what might be called current ordinary expenses, that is general administration, national defense, and civil activities have doubled since 1915, increasing from two-thirds of a billion to a billion and a third. Thus out of $3,585,000,000 expended in 1926, nearly two billions can be charged outright to the "war hang-over," that is, the administration of the colossal public debt (aggregating nearly twenty billions) and the maintenance of disabled veterans of the World War. This leaves $1,360,000,000, excluding

$434,000,000 for extraordinary tax refunds and trust fund payments, for the ordinary business of government as compared with $710,000,000 in 1915. The following table illustrates this:

	1915 Expenses (In Millions)	1926 Expenses (In Millions)
Financial administration	21	62
Maintenance World War veterans	...	405
War debt payments	...	1,324
Total World War expenses	...	1,791
General administration	32	52
National defense	260	554
Military pensions and retirement pay	176	238
Civil functions	221	516
Total current ordinary expenses	710	1,360
Refunds and trust fund payments	50	434
Grand total	760	3,585

CAUSES OF 100% INCREASE IN ORDINARY EXPENDITURES

Putting our attention entirely on the middle group, the current ordinary expenditures, what are the causes for the doubling of costs since 1915? Of course, wholesale prices for supplies, material, equipment, plant, etc., have increased fifty per cent since 1915, while salaries have increased during the same period possibly thirty-five per cent, taking the government payroll as a whole. But to apply these percentage increases to the 1915 expenditures for the purpose of adjusting the figures for comparison with 1926 greatly complicates the analysis and produces some curious and inexplicable conclusions. Leaving this factor out entirely, therefore, and making a direct comparison between the 1915 and 1926 figures, the reasons for the increase can be readily explained. The first item to consider is that of general administration. Expenditures for this function have increased because of a general rise in salaries in the legislative, judicial and executive branches of the government, aggregating some thirty-five per cent. The judiciary, the government supply service, and the public building service have also been considerably enlarged.

The second item of increase is that of national defense. The cost of this function, involving the maintenance and operation of the army and navy, has risen because of the strengthening of the two arms of defense in keeping with our position as a world power.

The third item, military pensions and retirement pay, has increased but not in proportion to the national defense and civil functions. This increase is due to the granting by Congress of more liberal pensions to veterans of other than the World War and the accentuation of the retirement policy of the war department for the purpose of reducing the officer personnel in the higher grades.

The third item, civil functions, has increased some $291,000,000 since 1915 and for a variety of reasons. The following table will facilitate the discussions:

	1915 Expenses (Millions)	1926 Expenses (Millions)	Increase (Millions)
Foreign relations	5	16	11
General law enforcement	4	37	33
Control of currency and banking	3	7	4
Administration of Indian affairs	13	14	1
Administration of the public domain	11	28	17
Promotion and regulation, commerce and industry	3	16	13
Promotion, regulation and operation of marine transportation	17	46	29
Promotion and regulation, land transportation	4	9	5
Postal service deficiency	9	40	31
Promotion and regulation of agriculture	15	30	15
Promotion and regulation of fisheries	1	1½	½
Promotion of labor interests	¾	4	3¼
Immigration and naturalization	3	6	3
Promotion of public health	7	18	11
Promotion of public education	3	10	7
Science and research	7	12	5
Public works	99	173	74
Local government	14	41	27
Total	217[1]	508[2]	291

Three of these functions, it will be noticed, embrace activities that did not exist in 1915, namely, the enforcement of the prohibition law, which is included in general law enforcement, the granting of federal aid to states for the construction of highways, and the maintenance and operation of the government merchant marine. Prohibition has added thirty millions to the federal budget, the annual Federal road grant amounts to eighty millions,[3] while the cost of maintaining our merchant fleet on the high seas runs over twenty-three millions. These three items total 133 millions of the 291 millions increase in the cost of civil functions.

The deficit in the operation of the postal service has increased since 1915 thirty-one millions. This is due to an exceedingly generous increase in pay to all employees in the postal service and the failure of Congress adequately to finance the pay raise by appropriate rate increases.

Local government, including the District of Columbia, the territories, and our insular possessions, shows an increase of twenty-seven millions. This increase is practically all due to the advance in the cost of governing the District of Columbia. The seat of government has nearly doubled its population since 1915, calling for a tremendous increase in municipal activities. A public works program of staggering proportions has been underway for several years, financed under a pay-as-you-go policy, while the fire and police departments have had to be greatly enlarged in order properly to protect the newly built-up areas.

For the purpose of more effectively promoting and serving the economic interests of the nation, the state, commerce, agriculture, and labor departments have expanded their activities, increasing the cost of operations some forty-six millions. The administration of the public domain, particularly the national forests and parks, has increased seventeen millions, due to the greater utilization and better protection of these areas. The promotion of public health and public education has likewise been generously appropriated for, expenditures rising to eighteen millions.

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[1] Omits three millions for relief of war sufferers.

[2] Omits eight millions for revenue-producing enterprises.

[3] River and harbor expenses were less than in 1915.

THE NEXT TWENTY-FIVE YEARS?

In consideration of the facts revealed by this rough analysis, what then is the trend of federal expenditures in the next twenty-five years? Excluding the possibility of national emergencies, such as war, there will be a gradual expansion of the federal budget. Despite the closest scrutiny of the President and his chiefs of staff, the inevitable increase in the population of the United States, the natural extension of our economic activities, and the further improvement in our defenses, must necessarily call for additional expenditures that will exceed the annual reductions in the costs of caring for our World War veterans and amortizing our war debt. Then, by the time our debt of twenty billions of dollars is liquidated, the federal government will be forced to utilize the billion dollars annual fixed charges, thus released, for the extension of federal activities long held in check and repressed.

THE FATE OF THE FIVE-CENT FARE

VI. TOLEDO REWRITES SERVICE-AT-COST FRANCHISE

BY VIRGIL S. SHEPPARD

Secretary, Toledo Commission of Publicity and Efficiency

The proposed new franchise, which must pass the scrutiny of the electorate, gives the street railway company a monopoly of all public means of street transportation but retains the old valuation deemed by many too high. :: :: :: :: :: :: :: :: ::

If the supply of gasoline were to become exhausted today there would be no street car problem in Toledo tomorrow.

The use of this dynamic fluid to propel pleasure and business vehicles seems to have made the transit question in Toledo almost hopeless of immediate solution. The advent of the privately owned automobile found this city with its population rather thinly spread over a large area, but congested enough to make street car transportation a paying venture under monopolistic privileges. But with thousands of individually owned transportation systems in daily use, with the city probably less congested than fifteen years ago, and with no portion of the municipality increasing in population rapidly enough to permit extensions of street car lines, street car riding has decreased twenty million passengers in five years.

At the same time car riders have demanded the same or better service than formerly. The desire to get from one place to another as quickly as possible, which seems to be one of the habits formed by automobile riding, has had its influence upon the cry for improved street car service.

It can, therefore, be stated without fear of contradiction that the most important single factor which has caused a former five-cent street car fare to increase to a rate of ten cents cash, three tickets for a quarter with one cent transfer, is the private automobile.

However, the car fare in Toledo would undoubtedly be lower than the present rate if motor bus competition had been eliminated, if the capital value of the street car company under the terms of a service-at-cost franchise granted in 1921 had not been placed at too high a figure, if a sufficiently large depreciation fund had been provided, and if the city had not attempted to buy the street car lines through requiring car riders to pay a higher rate of fare.

A BRIEF RETROSPECT

To give proper perspective to the present transit difficulties in this Ohio city, a little retrospection is necessary.

The street car question has troubled Toledo for almost a quarter of a century. In the first years of the quarter the efforts of the public officials were directed toward vain attempts at reducing a five-cent fare to a three-cent basis. Now the demand is for the reduction of a ten-cent fare, with better service, better equipment and safer road beds.

The first fifteen years were spent in trying to prevent the granting of a franchise to the street car company or, since most people still speak of the company in terms of an individual, to Henry L. Doherty, who is said to be the owner of most of the Company's bonds.

The next five years were spent in dilly-dallying with proposals for municipal ownership and service-at-cost franchises. It was during this period that "Hank" Doherty, starting at the wee hours of the morning, transported all of his street cars into Michigan, only to have them ordered back by the judge of the local federal district court.

After two or three proposals were voted upon by the electorate, a terminable service-at-cost franchise, somewhat modeled after the Cleveland agreement, was granted in the fall of 1920. It goes without saying that the knottiest problem which had to be solved by the franchise drafters was the valuation of the property of the company. After calling in several experts, after several "bargain" meetings between city and company officials, and after earnest pleadings of the federal judge who called back the street car system from our northern neighbor and who had appointed a receiver for the company, the valuation was fixed at $8,000,000.

Looking back now, many people realize that this figure was much too high in light of later developments, especially so, because of the worn out equipment and the absence of a depreciation fund to pay for renewals. Whether some "water" existed in the capital value in 1920 or whether all of it accumulated later is an open question.

THE 1920 FRANCHISE

The main features of the 1920 franchise are as follows:

1. A twenty-five year grant with right preserved to the city to purchase or lease the street car lines at any time.

2. A rate of fare adjustable up and down, according to the earnings and expenditures of the company. The earnings must be sufficient to maintain in addition to the current operating fund, the following funds: a repair fund, a small depreciation fund, a sinking fund and a stabilizing fund.

3. From the stabilizing fund is paid the return to the company, 6 per cent on all mortgage bonds of the company and 8 per cent on any preferred stock issued for betterments. When the stabilizing fund reaches $500,000 the fare would be reduced; when it de-

creases to $300,000 the fare was supposed to be increased. Needless to say the rate of fare effective when the franchise became operative, six cents cash, five tickets for a quarter, was never lowered.

4. Into the depreciation fund is paid each year an amount equal to 1½ per cent of the capital value. With no depreciation fund established prior to the date the franchise became effective and with the tracks and other equipment then in poor condition as the result of twenty years of uncertainty as to whether the company would be granted a franchise, this fund was very shortly found to be inadequate.

5. To the sinking fund the franchise provides a payment each year of an amount equal to 2½ per cent of the capital value. This fund is used to redeem bonds of the company. In place of the redeemed bonds common stock is issued. This common stock is handed over to the city and constitutes the city's ownership in the company. However, at no time could the city own more than 20 per cent of the capital value obtained through the sinking fund.

This ownership feature seems now to be the one of the chief causes of the apparent failure of the present franchise. At the expense of increased fares the city has now acquired about $1,261,000 worth of common stock which is of doubtful value, especially as the company appears to be overvalued and the opportunity of the city purchasing the remaining capital value seems quite remote. If at any time a question is raised as to the overvaluation of the company, a reduction of the capital value will probably affect the holders of common stock first.

6. There is provided an amortization fund which becomes operative whenever the term of the franchise is less than fifteen years. When this fund becomes operative, the fares must be increased to a rate high enough to permit the company to amortize all outstanding bonds and stocks by the time the franchise terminates. The property of the company will then be vested in the city.

7. Service is controlled by the city council, supposedly acting under the advise of a street car commissioner selected by the mayor and a board of control composed of three persons selected by the mayor for six year terms.

It was assumed that when the franchise became operative in 1921 that the city council would prohibit motor busses from carrying city passengers. But council for this reason or that, has up to this day failed to take such action. Motor busses are permitted to run over the city streets without the payment of a license fee or any regulation by the city relative to service, fare and equipment. It is estimated that the street car company has lost between $200,000 and $300,000 each year through motor bus competition.

As stated before, the private automobile has been the chief cause for the decrease in street car patronage. In 1920 there was one car for every eleven persons in Toledo; in 1926, one for every five.

IMPROPER ROUTING HAS BEEN COSTLY

Motor bus competition and use of private machines might have caused less damage if the street car lines had been properly routed. In one section of the city when the franchise became effective, there were three paralleling lines in a territory less than a quarter of a mile in width. The longest of these lines runs along the river and consequently secures patronage from only one side of the line. One of these three lines has already been torn up, but the two remaining lines are more than is necessary for good service. One of them located in the center of the district would be sufficient. Other superfluous lines are still in operation.

Inability of the company to supply service has caused widespread complaint. Inability of the company to finance reconstruction of road beds and to purchase new rails has made at least 25 per cent of the streets of the city upon which street car lines are located "rocky roads to Dublin." The city cannot go ahead with the paving of these streets until the street car company is able or willing to finance its part of the cost. As a matter of fact, the residents along one line pushed a resolution through council to have the tracks torn up, the street paved and motor bus service operated by the car company substituted. In passing it might be of interest to mention that the depreciation fund was not large enough to make it possible for the company to substitute motor busses for the rails and street cars used upon this line. It has, instead, leased the busses.

The residents along other lines are contemplating similar action in respect to paving of streets and transit service.

$800,000 DEFICIT IN STABILIZING FUND

Even with economies effected by way of one-man cars for certain lines, elimination of three unprofitable lines and reduction in the price paid by the company for electric current, the stabilizing fund has steadily decreased until it now has a deficit of approximately $800,000 or $1,100,000 below the minimum provided in the franchise. No dividends have been paid upon the preferred stock of the company since 1924. Though the franchise provides that the rate of fare shall be increased when the stabilizing fund is reduced to $300,000, this has not been done. The company realizes that the car riding public will not ride if the fare goes any higher.

Therefore, the officials of the company are as willing as the car riders to have the franchise altered. The question is, "What terms shall be altered?"

A NEW FRANCHISE OFFERS COMPLETE MONOPOLY

To attack the whole transit problem in what seems to be the only logical way, the city council early in 1925 employed Henry E. Riggs, well-known transportation expert of Michigan University. Mr. Riggs and his assistants made a very thorough study of the numerous factors affecting local transit and submitted a very comprehensive report. Later he made a supplemental report stating what he thought should be included in the new agreement. This report was submitted in May, 1926.

Representatives of the city and the company then held numerous conferences, for the purpose of changing the present franchise to meet the requirements of the Riggs' reports. The city secured the services of Newton Baker, former secretary of war, and experienced in service-at-cost transit operation in Cleveland, to check the new draft for the purpose of ascertaining whether or not it met the Riggs' requirements. Mr. Baker also suggested certain additional changes.

The proposed franchise, which is to run for twenty-five years, was submitted to the city council in September, 1926. While it contains many of the provisions of the present franchise, many new provisions make it practically a new contract. Under the new terms, the street car company would be given an exclusive grant to operate all public transit vehicles upon the streets of Toledo, taxicabs, sightseeing busses and interurban busses excepted. In other words the company would be given a monopoly of the public transit business. It seems to be the consensus of opinion that unless the company is so empowered it will be impossible to keep the fares, under a service-at-cost system, at a low and reasonable rate. Opponents of the new proposal point to the fact that under the present franchise bus competition can be eliminated by council. But as council up to this time has failed to take such a step, proponents maintain that the power to permit other modes of street transit should be taken away from that body.

In order to give the street car company a monopoly of the street transit business, it would be necessary to amend the city charter. The city charter can only be amended by vote of the people. All public utility franchises must also be acted upon by the electorate. In order to make it possible to vote for both the charter amendments and the proposed franchise at the same time, the entire proposed franchise as now planned constitutes a charter amendment which is almost as long as the existing charter itself.

The new proposal provides for the enlargement of the depreciation fund so that all street car equipment can be replaced in twenty to twenty-five years. Another provision is a motor bus depreciation fund to which would be paid annually an amount equal to 20 per cent of the capital value of the company represented by securities issued to buy motor bus equipment.

By increasing the depreciation fund and providing that no money shall be paid into the sinking fund until the depreciation fund is at its effective maximum, the new franchise practically precludes the payment of any more money into the sinking or city ownership fund. Interest paid upon the redeemed bonds, representing the common stock owned by the city, will not be paid into the sinking fund as the present franchise provides, unless the stabilizing fund contains its minimum amount. These two provisions mean that the city would probably not receive any more stock in the company. Or in other words, that portion of the car fare used to help buy the street car system for the city would be used to enlarge the depreciation fund and to help pay the stipulated return to the company through the stabilizing fund.

The amortization fund provisions of the new proposal are the same as in the present franchise.

Service under the proposal would be controlled not by council but by the Board of Control which would be made a charter agency. One concession which the company would make under the new proposal would be the selling of preferred stock for financing betterments at a lower rate of interest than 8 per cent, as the present franchise provides. The company under the new proposal would also agree to furnish the necessary capital to rehabilitate and to reroute the street car lines according to the recommendations of Mr. Riggs.

OPPOSITION HAS DEVELOPED

The chief objection against the franchise seems to be the charge of over-valuation, the former valuation of $8,000,000 being retained in the new draft. The board of control, which under the new terms would be given considerably more power over the transit system, criticizes the proposal. That board holds that if the company is to be given a monopoly, it should decrease its capital value to an amount equal to the present value of the system. There are no provisions in the new proposal relating to a decrease in capitalization for removals when the depreciation fund is not sufficient to take care of the substitution of the removed equipment. Since the present franchise became effective, ten or twelve miles of the track valued at about $70,000 a mile have been taken up. But the capital value of the company has not been decreased so that the company still draws 6 per cent interest on the capital value represented in these tracks.

Under the new proposal the street car company would be relieved of maintaining that portion of the street paving between and adjacent to car tracks. The question of whether the city or the car company shall pay for such maintenance is being contested in a number of cities. Strong opposition to this concession is being voiced in Toledo, especially as many streets upon which tracks are located are much in need of repair, to say the least. Concession is also granted to the company in that the city will pay for the entire foundation for tracks in case a street is repaved. As a matter of fact under a service-at-cost system, these concessions are not to the company, but to the car riders. The burden to the tax paying public for maintaining and paving streets would naturally increase.

Whether the new proposal is the best that can be obtained, whether other changes should be made to affect economy in the operation of the transit system are, of course, causing much concern in Toledo. In this transitory period in the field of public transit any kind of an agreement is certain to be pretty much of a jump into the dark. If only some prophet would appear to advise the proper course, the city of Toledo would be in a much better position to predict the fate of its present ten-cent car fare.

NOTE.—For a detailed and comprehensive analysis of the street car situation in Toledo, send to the Commission of Publicity and Efficiency, 107 Safety Building, Toledo, Ohio, for copies of the Riggs Transit Reports. A copy of the proposed franchise may also be obtained from the office of the commission.

THE BICAMERAL PRINCIPLE IN THE NEW MEXICO LEGISLATURE OF 1925

BY JOHN E. HALL
Northwestern University

The final installment of an article begun in the last issue is a further indictment of the bicameral principle as practised in our state legislatures. :: :: :: :: :: :: :: :: ::

The second argument in support of bicameralism is that the second chamber acts as a check upon hasty and ill-considered legislation. To what extent, if at all, does the history of the New Mexico legislature of 1925 sustain this contention?

The value of the house as a check upon the legislation of the senate will be considered first. Ninety bills passed the senate and went to the house. Sixteen of the ninety, or 18 per cent, were pigeonholed in the committees; two were defeated on roll-call in the house; two were killed by unfavorable reports of house committees; and five died on the clerk's desk due to non-action on the part of the house. Thus, twenty-five senate bills, or 27 per cent, were discarded, and sixty-five were passed, by the house.

Although this percentage of senate bills dying in the house may seem large, it is not the best criterion of the value of the house as a checking agency, for it is only a quantitative rather than a qualitative test. A truer indication of the worth of the second chamber as a checking agency is afforded by an examination of the nature and importance of the senate bills which thus expired in the house. None of the sixteen bills dying in the house committees was of major importance; three of them were duplicate bills, *i.e.*, had been introduced in both chambers; four of them related to details which had already been incorporated in more amplified codes. For instance, senate bill 99 regulated the election of school directors in municipalities, a matter which had been covered by the complete school code enacted earlier in the session. The remaining bills, such as licensing of cotton ginners, and a bill amending existing mechanics lien law were of small importance. On the other hand, not a single senate bill of major importance was killed by the house.

But how did the lower chamber function as a preventive of hasty and ill-considered legislation? This can be seen from the following incidents. On the last day of the session, three bills, numbers 136, 137, 138, were introduced in the senate by unanimous consent. One was a bill for the construction of a state highway, another provided for the filing of oil and gas leases in the State Land Office, and the third proposed to amend the existing statute on municipal corporations. These bills were not referred to committees in accordance with the regular procedure; instead, the rules were suspended and a roll-call was ordered, and each bill passed by a unanimous vote. The bills were immediately sent to the house where the same procedure was gone through; the bills were given no committee considerations, and no amendments were proposed in either chamber. Two of the three passed the house unanimously, and the third bill received only two negative votes. Thus, three senate bills were introduced, considered and passed, enrolled and engrossed, and signed by the presiding officers of each chamber within the short space of four or five hours. Moreover, they were passed in complete disregard of clear and definite constitutional provisions requiring such bills to be "read three different times in each house, not more than two of which readings shall be on the same day, and the third reading of which shall be in full."[1] If collusive disregard of constitutional requirements could exist between two chambers controlled by opposite political parties and torn by the animosities and hatreds engendered in the first half of the session, what sort of a check is the second chamber likely to offer under normal conditions when both houses are controlled by the same party?

But these were not the only instances of hasty and unconstitutional action by one chamber or the lack of scrutiny and the exercise of any real check by the second chamber. In addition to the bills just considered, there were nine other senate bills which were similarly railroaded through the senate; and seven of these bills were of major importance. Senate bills 16, 60, 94, and 131 carried appropriations for irrigation purposes amounting to $55,000. Number 103 carried an appropriation of $65,000 for the State Blind Institute; number 127 levied an excise tax of three cents on each gallon of gasoline sold in the state; number 112 was a complete and detailed child-labor law; number 108 amended the criminal code; and number 126 authorized the county commissioners of the various counties to levy taxes for road and bridge construction and maintenance. In the senate, when these nine bills were reported by the committees, the rules were immediately suspended and a vote was taken on each of them. They all passed by a unanimous vote except the child-labor bill, which had one negative vote. By this hasty and unconstitutional action, ordinary members of the senate were denied the opportunity to study these measures in order to vote intelligently upon them. All the greater need, therefore, that the house should proceed with due deliberation.

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[1] Art. IV, sec. 15.

Eight of these nine bills were favorably reported by house committees. The other bill was pigeonholed in committee, and it was the only one of the group checked by the house. Of the remaining eight, only one was amended by the house. Five of the eight passed the house by unanimous votes, while two of them had only one negative vote each. All eight of them were signed by the governor and are now on the statute books. Space will not permit an enumeration of the many other bills which were passed under similar circumstances. It seems clear, however, from these instances that a second chamber can not always be depended upon to exercise that careful scrutiny of the work of the other chamber upon which defenders of bicameralism have laid so much stress.

DOES SENATE CHECK LOWER HOUSE?

Let us now focus our inquiry upon the senate and see how it functioned as a check upon the legislation of the house. The house passed 177 out of 249 bills introduced. The senate was slow in getting down to work on the house bills, passing only two the first thirty days of the session. These were the routine bills providing for mileage and per diem for the members of the legislature and to provide postage and printing for both chambers. In the last half of the session, the senate passed 96 house bills, making a total of 98 house bills for the session, or 55 per cent of the bills which came to it from the house. On a quantitative basis the senate seems to have been an effective check upon the work of the lower house, refusing to enact 79, or 45 per cent, of the house bills coming to it for acceptance or rejection. By thus preventing the passage of 45 per cent of the house bills, in comparison with 38 per cent of the senate bills checked by the house, the upper chamber showed a decided superiority over the lower chamber as a checking agency.

The foregoing figures, however, do not, by themselves, warrant the conclusion that the second chamber rendered the state of New Mexico an invaluable service, unless it is assumed that all, or a majority of these measures were vicious, or, at all events, were unwise from the standpoint of sound public policy. The writer knows that several of these bills merited that description, but the majority could not fairly be so characterized. On the other hand, the circumstances surrounding the passage of not a few of these bills through the lower house, and the counter interests and motives which influenced the action of the senate in killing them, indicate that the service rendered by that chamber fell far short of being as important as might be inferred from the mere number of house bills defeated. Furthermore, these facts bring out certain other fundamental defects in the bicameral system.

"GRAND STAND" BILLS

The very abnormality of the political relationships between the two chambers produced a situation which encouraged the introduction of many bills in the house, the authors knowing at the time of their introduction that they would not pass the senate. Frequently bills were introduced in the house that were mere political gestures, or were designed to provide a little "grand-stand" play for the benefit of the home-folk. Each chamber proposed many bills of this nature, for each knew that the other chamber would check them and get the blame. There was a great deal of this "passing the buck," and each chamber pointed an accusing finger at the other body, charging it with obstructing much needed legislation.

The writer knows of several bills that were unwise and undesirable that were passed by the house for political reasons, and left on the door-step of the senate. The senate would either have to take the blame for passing them or shift them back upon the house. House bill number 66 will illustrate this point. It was a bill appropriating money to establish an experiment farm in Union county. Members of the committee on agriculture told the writer that they were opposed to the bill, but would report it favorably and work for its passage to please the representative from that county and his constituents. It was passed and the senate killed it. Space will not permit a study of several other bills that were passed by the house for similar reasons and with the same results.

But this sort of thing is by no means peculiar to New Mexico. A two-chamber legislature always facilitates, if it does not actually encourage, a shifting of responsibility for the bad bills passed and the good bills defeated. The senate charges the house with obstructing desired legislation, and vice versa. Upon which group will the constituents place the responsibility? The farmer in Union county may praise his representative for proposing an experiment farm bill, and condemn the senate for killing it, when, as a matter of fact, the representative himself may have been opposed to the bill and may have betrayed his constituents by framing a bill so defective as to insure its easy defeat in the other chamber. Under such circumstances, senators and representatives cannot be held to strict accountability, for the bicameral system enables them to pass responsibility back and forth like a medicine ball in a "gym" class.

UNICAMERAL BODY MUST ASSUME FULL RESPONSIBILITY

Under a unicameral system, on the other hand, responsibility could not thus be shifted and evaded. The attention of the electorate would be focused upon a single body. Absurd and careless bills, bills to provide political ammunition for coming elections, and many other types of undesirable legislation would not be passed with such nonchalance when the legislative body knows that its action is final and that there is no second chamber upon which to shift responsibility.

There is another question connected with the bicameral system that must be answered: may not two chambers facilitate the defeat of meritorious legislation quite as effectively as they seem to facilitate the elimination of undesirable legislation? Ample material for an affirmative answer is supplied by events in the New Mexico legislature now under consideration. Space, however, permits the citation of only a few examples—first, election reform. New Mexico is encumbered with an awkward, ineffective and wholly inadequate election law, and every election brings a bumper crop of contest cases. After the 1924 elections, there were seven seats in the house contested and four in the senate. The governorship was also contested, and ex-Senator Bursum filed contest notice against Senator Sam G. Bratton in the United States senate. This state of affairs, due to the lax election laws, was indefensible and intolerable. The platforms of both major parties pledged their legislative candidates to the passage of "election reform" laws, and public sentiment was state-wide in favor of this reform. How did the bicameral legislature respond to this demand for legislation?

Five different bills relating to election reform were introduced. House bill 69 and senate bill 10 both provided for the direct primary for the nomination of state officials. Senate bill 92 was a corrupt practices act, and senate bill 122 was a complete election code. But probably the most detailed and complete election bill introduced was house bill 179. This bill was drafted with the aid of legal experts, parts of it being copied from the laws of Wisconsin, Kansas, and Ohio. It was passed by the house and went to the senate, where it was referred to the steering committee and was not heard of thereafter. Senate bill 10 did not reach the floor of the senate, for it, too, was smothered in committee; and senate bill 92 met a similar fate in the senate judiciary committee. But house bill 69 passed the house and in the senate was referred to the steering committee, where it was buried beyond resurrection. Thus far, four out of the five bills introduced had been killed in senate committees without giving the members of the senate a chance to vote upon them.

On the last day of the session, the majority floorleader in the senate, fearing the condemnation that would fall upon his party if the session should adjourn without a vote upon an election law, called senate bill 122 out of the committee. The roll-call was ordered, whereupon a minority member immediately moved to call house bill 69 out of the steering committee, and to substitute it for senate bill 122. The motion was lost, however, and senate bill 122 was passed by a strict party vote. It was sent to the house an hour before final adjournment. Political expediency again reared its head. The Democratic house felt that the Republican senate bill did not meet all the requirements, and by a strictly partisan vote amended the bill by striking out all after the enacting clause and inserting a copy of house bill 179, which had already been stifled in the senate steering committee. In this amended form, senate bill 122 was returned to the senate where it died on the clerk's desk. The legislature adjourned without enacting any of the election reforms which had been demanded by the people, and had been promised by the legislators. The jealousies between the two chambers defeated the bills: the Democratic house was jealous of the prestige that would come to the Republican senate with the passage of an election law originating in that body, and vice versa.

PLEDGES BY BOTH PARTIES NOT FULFILLED

The manner in which the legislature handled the ratification of the federal Child Labor Amendment also throws some interesting light upon the second chamber as an agency of obstruction of desirable acts. The writer feels safe in saying that the people of the state, on the whole, favored ratification. The Democratic state platform in 1924 contained this plank:

> We pledge Democratic members of the legislature to the ratification of the Constitutional Amendment.

The Republican platform contained this statement:

> We are heartily in favor of the proposed Child Labor Amendment submitted to the states by Congress and pledge the Republican members of the next legislature to its approval and ratification.

The governor, in a special message, also appealed for its ratification. House resolution 4, ratifying the Amendment, passed that body and was referred to the steering committee in the senate, where it died. A majority member of the senate introduced a resolution submitting the question of ratification to the people for their own expression at the polls. It passed the senate, but was killed in a house committee. Here, again, the shifting of responsibility to, and the obstruction of, the second chamber resulted in defeating a desirable end.

Let us consider another example. Lax banking laws, together with an abnormal economic situation in 1922, had caused much distress in the state. The banks were loaded with huge frozen assets, and over half of them failed in that year. Many of the failures were traceable to the inefficient and careless administration of funds. Speculation by bank officials with the depositors' money was made possible by the lax banking laws. Public sentiment demanded a law that should prohibit banks from making heavy loans of a certain type for speculative purposes, and which, in other ways would give greater protection to the depositors. House bill 79 was a complete banking code. It was drafted with the aid of Judge Wright, counsel for the bankers of the state. The bill was acclaimed on all sides as judicious and desirable. It passed the house, but the senate made such drastic amendments that the house would not concur in them; and as the senate had amended it on the second day before adjournment, there was no time for conferences between the two chambers, and so the bill died on the clerk's desk in the senate.

Thus, in at least three types of important legislation, backed by a strong popular demand, the second chamber succeeded in obstructing the enactment of much-needed reforms. The same obstructing tactics were employed by the second chamber in many other instances, but space will not permit specific mention of them here. Enough has been said to demonstrate the power of the second chamber to obstruct meritorious legislation. After this examination of concrete examples, no one should be misled by the large percentage of house bills killed by the senate. The forty-five per cent clearly exaggerates the real worth of the second chamber as a checking agency.

And in addition to the large number checked by the second chamber, the governor was compelled to veto seventeen bills, or a fraction over 10 per cent of the total number of bills passed by both houses. This would further indicate that, after all, the second chamber failed adequately to scrutinize, revise, and check the work of the other chamber.

As a result of his personal observation, the writer firmly believes that the bicameral system is a relic of less progressive days. At any rate, the history of the last New Mexico legislature appears to justify the conclusion that a two-chambered legislature is unwieldy, expensive, irresponsible, and inefficient.

RECENT BOOKS REVIEWED

The Government of American Cities. By William Bennett Munro. New York: The Macmillan Company, 1926. (Fourth Edition.) Pp. 491.

Professor Munro, in the preface of the fourth edition of his college text, *The Government of American Cities,* claims that the text has been completely revised and rewritten, with the addition of several new chapters, charts and diagrams, and that "the book is virtually a new one especially in its point of view." The use of the book as a classroom text for a semester convinces the reviewer that the author's claim is not in the main an overstatement. The added chapters, more fully than the re-written chapters from the earlier edition, set forth the author's new points of view. In the earlier editions he confined himself largely to the description of the organization of city government and to an explanation of how it works. If new devices were appraised, their advantages and disadvantages were so judicially weighed and balanced that the author rarely could be quoted as favoring or opposing their adoption or rejection.

The author's opinions and advice are offered much more freely in the new chapters, especially in the chapters on "Practical Politics," "City Government as a Business," and "The Criteria of Good City Government." The author, however, in this edition as in the earlier, steers clear of the controversial, social and economic problems of the city which have enlisted the attention of some of the more daring among the recent municipal textbook writers.

A noteworthy addition to the text is the chapter on "Urban Public Opinion," which served to whet the appetite of my students for further reading in special works on the subject by such authors as Lowell, Holcombe and Lippman. The somewhat pessimistic frame of mind in which the chapter left the students has been sufficiently relieved by the wider reading.

The most important contribution to the study of municipal government, in the opinion of the reviewer, is the chapter on "The Criteria of Good City Government." "A suggested series of twenty-five tests" is offered "as an aid to the citizen's survey of his own government." The chapter might well be reprinted in pamphlet form and distributed by civic organizations among their members interested in good city government. It is interesting to note that in these tests emphasis is placed upon business problems and methods rather than upon forms of government and the political aspect of municipal government.

The author's "newer points of view," arrived at from a study of post-war conditions, in the main, seem to be sound. However, the author's change in point of view regarding "property and conservatism" (third edition, p. 48; fourth edition, pp. 64–65) seemed to the reviewer not to be based upon correct interpretation of facts. To refute the author's earlier view that propertyless city dwellers are likely to be radically-minded while the property-owning rural inhabitants are prone to be conservative requires more proof than citing the fact that political innovations such as the initiative, referendum, recall, direct primary, proportional representation, etc., etc., came "out of the West." These innovations, in the main, had to do with political democracy or the liberalizing and greater democratization of the machinery of government, while "radicalism" in its properly accepted sense, the radicalism which has arrived in Europe and promises to demand a hearing in America, attacks the fundamental basis of the capitalistic social order—private ownership of property. Such radicalism thrives in the industrial urban centers, while the rural communities furnish the greatest conservative force in opposition. Moreover, it is noteworthy that not only has the strength of the socialist party been in the urban centers, but also a remarkably large proportion of the Lafollette vote in 1924 came from the large cities.

The edition under review shows a marked improvement both in logical arrangement and in the allotment of space to the several subjects. At the same time it retains the clearness of style and the interest-claiming narration which, in the earlier editions, aroused an interest in city government among so many students in American colleges.

Orren C. Hormell.

Bowdoin College.

Municipal Finance. By A. E. Buck, in collaboration with other staff members of the National Institute of Public Administration and the New York Bureau of Municipal Research. New York: The MacMillan Company, 1926. Pp. xii, 562.

The announcement of a book on the subject of municipal finance, under the distinguished auspices of the National Institute of Public Administration and the New York Bureau of Municipal Research, unquestionably stimulated the keenest anticipations among all who have been familiar with the achievements and the earlier publications of these organizations and of their various staff members. This book justifies these anticipations, for it is an interesting and fruitful venture into a hitherto undeveloped field of public finance, a field which the authors make bold to characterize as a science—the science of Municipal Finance.

Without debating the propriety of this rather ambitious label, it is admitted that the present volume is a path-breaking achievement. While it is a product of some years of experience with and study of municipal financial systems, good, bad and indifferent, it goes far beyond the scope of any previous publications in the comprehensiveness with which the field of municipal finance is marked out, and in the thoroughness with which many parts of this field are cultivated. Such defects as it displays are, in the main, those of the pioneer work, and are quite overshadowed by the value of the contributions made.

While much of the book will be of general interest, the readers who will gain most from it, probably, will be those who, as officers of municipalities, are responsible for the actual financial management of municipal activities. For such it will prove a well-nigh indispensable companion. It is a preëminently practical work, in which the instructions on such matters as organizing a municipal department of finance, preparing a budget, auditing financial records, purchasing supplies, assessing property, distributing the burden of special assessments and managing public debts are set forth in detail, with appropriate record forms, and ample references to current practice. The rapid development of large urban centers and the enormous increase of municipal expenditures alike demand a new administrative and financial technique. This book is designed to bring to municipal administrators the latest and best facilities and devices, and to give them, in addition, the groundwork of a broad conception of the scope of municipal finances as a whole. These aims, and especially the latter, are admirably accomplished.

The treatment of topics is of uneven value, a rather natural result of the collaboration of five authors. Of least importance, in the reviewer's judgment, are the chapters on General Accounting and Cost Accounting. Accounting technique is a subject which should be treated thoroughly or not at all. The discussion of general accounting in Chapter V is too elementary to be of value to the accountant, while it is too greatly condensed and too sketchy to have much meaning for those not trained in the subject. The reviewer is rather dubious of the utility of municipal cost accounting in general, although some advantages are perceived in the case of the publicly-owned commercial enterprises.

It is disappointing, also, to find the authors rather carefully and obviously avoiding an expression of opinion on various debatable topics which arise. The wide experience of the organizations sponsoring the publication should have developed definite views on some of these matters, and it seems unfortunate that the present opportunity for giving others the benefit of their findings was passed by. Illustrations of such questions are the assessment of property by municipal or by county officials (p. 23), the separate administration of school finances (pp. 29–30), and the taxation of municipally-owned utilities (p. 533). The pros and cons are usually carefully stated, as is proper; but the reviewer would have welcomed, in addition, some indication of the conclusion which appeared to be warranted by the weight of experience and evidence, in these and in other cases.

H. L. Lutz.

Stanford University.

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State Government in the United States. Revised edition. By Arthur N. Holcombe. New York: The Macmillan Company, 1926. Pp. xx, 629.

This second edition of a standard text by Professor Holcombe, first published in 1916, is now presented, revised and enlarged with the collaboration of Roger H. Wells, assistant professor of politics in Bryn Mawr College.

The original text has been enlarged by more than one hundred pages including two new chapters. Newer developments in state government during the last ten years—woman suffrage, electoral changes, improvements in the organization and procedure of the legislature, administrative reorganization, and budget and fiscal reform—are given increased attention.

Part One analyzes the relation between the Union and the states with attention to the newer problems of federal and state relations. In Part Two several historical chapters discuss the original principles of state government, the original forms of state government, and their development to meet changing conditions. The author maintains his original view that two main tendencies have characterized the evolution of state government; first, the broadening of the electorate and the strengthening of its control over the three branches of the government; and second, the more effective distribution of powers between the legislative, executive, and judicial departments.

An analysis of the working of the present state governments is presented in Part Three. In the first edition approximately equal space was devoted to the extent and methods of popular control and the organization of the government and division of powers. In the present edition the space devoted to the electorate, the political party, the electoral process, and direct legislation remains practically the same as in the earlier edition, while that given to the organization and work of the state legislature, executive, administration, judiciary, and constitutional convention, has been substantially increased, principally by the expansion into complete chapters of the material on state administration and judicial review of legislation and administration.

In the conclusion, Part Four, consideration is given to the problem of the further reform of state government. Older projects of reform are omitted and attention is turned to a critical analysis of the most comprehensive of the contemporary plans for the reform of state government—the proposed Model State Constitution of the National Municipal League. Innovations found in the Model State Constitution are shown to be consistent with the original principles of state government and clearly in line with the tendencies toward a greater popular control and a more effective distribution of powers.

The author's conclusion of the first edition, still unchanged, is that future reform must proceed substantially along the same lines as in the past. More complete popular control of government must be brought about through the simplification of the existing forms of government. The principle of the separation of powers should not be abandoned, but more rationally applied by the imposition of additional checks upon the authority of the legislature and the further strengthening of the executive and judiciary.

One criticism of the first edition has not been remedied, the omission of any treatment of county and local government. However, this is an excellent revision of a significant contribution to the literature of state government, combining as it does a study of the philosophy of American state government with a description and appraisal of its practical operation.

Frank M. Stewart.

University of Texas.

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The Dublin Civic Survey. Prepared by Horace T. O'Rourke, F.R.I.A.I., and the Dublin Civic Survey Committee for the Civics Institute of Ireland. 150 pp. (10 x 12½), 50 illustrations, 10 colored maps, and 8 aërial photographs. University Press of Liverpool, Ltd.; Hodder and Stoughton, Ltd., London, 1925.

This is Volume Two of the publications of the Civic Institute of Ireland. Volume One was the prize design adjudged winner in an international competition. Volume Three will be the Final Town Plan based on the design and the survey.

Few American readers interested in city and town planning will see, but all should examine, this excellent example of the most scientific type of survey upon which a final town plan will be based. This survey is the statistical and graphical representation of the things as they are in the community and enables the town planner to present a forecast of its development. The survey is divided into the physical and social and economic factors in the life of Dublin. This city has the position of dual rôle as the national capital and seat of government, as the principal railroad center and port of the country, and as the cultural and recreational center of its people.

The plan of the survey follows a definite study in seven fields: Archaeology, showing the historical development and its influences: Recreation; Education; Hygiene; Housing; Industry and Commerce; Traffic of all sorts. The student of city planning will be especially interested and pleased with the colored maps which illustrate each of the topics covered. The aërial photographs prove beyond doubt the value of this method of study for advanced planning. The use of early maps from 1610 emphasize more than any reading matter how it is that towns and cities are allowed to grow in a haphazard manner. The survey states that all the difficulties and costliness of civic administration can be ascribed to such blind and wasteful development. The preparation of such a civic survey for a community is the best education it can have. It is not every city that can be a Washington or a Canberra, and the best many can do is to show the defects of the past and prevent the mistakes being repeated in the future.

An ever increasing number of town surveys and plans are reaching us from the British Isles. Others which are worthy of interest for their contents and mechanical makeup are Birmingham, Manchester, Dundee, Leicester, Sheffield, Doncaster, York, Richmond, Woolwich, Chelsea, Stratford-on-Avon, Cork, and more recently the comprehensive study of the London County Council.

E. A. COTTRELL.

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CONGRESS — AN EXPLANATION. By Robert Luce. Cambridge: Harvard University Press, 1926. Pp. 154.

The author of this sprightly little *apologia* is a well-known Massachusetts congressman, already the author of two formidable works on legislative bodies, and a veteran of many years in the service of the state of Massachusetts. Mr. Luce realizes that he is on the defensive. The typical congressman, he admits, is the butt of ridicule, and the serious work of the House is ignored by public and press. Frankly conceding that the lower branch is far from perfect, he nevertheless finds substantial reasons for some generally criticized features. Thus the House is too large, private legislation has become a lottery, committee work is poorly distributed. The weaknesses of the seniority method of committee allotments is recognized, but attention is called to another side which many legislative reformers have overlookd but which anyone experienced in managing a sizeable business will appreciate. Promotions on merit irrespective of experience (if such a thing is possible in any organization) may disturb morale more than promotions on a straight seniority basis. Peace and harmony are desirable, if the price be not too great, and within certain limits the seniority principle in a legislative body is sound.

When it comes to discussing the budget system, Mr. Luce is fresh and unorthodox. He says that he believes in the budget system in spite of the arguments advanced in its behalf, and then proceeds to demolish these arguments. It must be said, however, that the arguments which he has selected for destruction are from those used by early budget propagandists and are stated in most extreme form. While no system could possibly accomplish all that early advocates claimed for the budget, it is difficult to understand how the reform in financial procedure which Mr. Luce freely credits to Congress, could have been attained without it.

And in this connection it seems to the reviewer that the author's sometimes too idealistic view of Congress falls of its own instability. Nine-tenths of the work of Congress has to do with raising and spending money is the statement on page 64. On page 79, it is stated that the budget document has no practical value to the mass of legislators. They hoist the thing to the top shelf and then forget it. If 90 per cent of the work of Congress relates to finance and if the typical congressman never looks at the book of estimates, what in God's name does he do? Mr. Luce says he is very busy, but busy at what?

The truth, which the author sees as clearly as anyone, is that the size of the House of Representatives, and the vast field of legislation which it will not surrender, have compelled it to organize for efficiency in grinding out legislation. As a machine it works all right, but no machine can command personal respect. For this reason the public interest has turned to the Senate, and a congressman can get attention only by making a fool of himself. This miserable state, the reviewer in company with Mr. Luce, bemoans.

H. W. D.

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Report to Governor and Legislature on Problem of Government for Portland Metropolitan Region by Commission Authorized by Chapter 217, Laws of 1925.—Portland, like Vancouver and Quebec, has apparently decided that it will not become a metropolis which, like "Topsy," "just growed," if forehanded study and planning will help. The studies upon which this report is based were privately financed and had to be limited both in scope and time. They have revealed enough, however, to warrant the committee, in charge of making them, in asking for important legislative and constitutional changes to permit structural changes in the governmental machinery of city and county and for a grant of public funds to permit these studies to be completed.

It may seem overweening that a city the size of Portland, with a population of only 258,000 itself and with only 400,000 in what it claims for a metropolitan region, is studying the problems of governing a metropolis. Yet, if Boston, Chicago, Detroit, Pittsburgh and other cities, had been equally ambitious, optimistic and foresighted, they probably would not be in such a morass of complicated problems, which, for lack of prompt solution, are greatly retarding their progress.

This report does show that the Portland region has problems similar to those of our great metropolitan cities in police and fire protection, water supply, sewerage, regional planning and housing. It is aware of them, and it is to be hoped that being aware of them, it can solve them not only before they become acute, but even without enormous trouble and expense in correcting early mistakes.

George H. McCaffrey.

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The Need for Constitutional Revision in Minnesota by William Anderson is reprinted from the *Minnesota Law Review*. It is doubtful whether anyone who is at all familiar with the Minnesota constitution would dispute the need for its extensive revision. That this can best be accomplished by the calling of a constitutional convention would probably not be as widely admitted although this step has been suggested.

In a careful analysis of the various phases of the problem Dr. Anderson has pointed out needed changes for executive, legislative and judicial departments as well as improvements necessary in state finances, local government and other miscellaneous provisions. He notes three possible ways of revising the constitution, but comes to the conclusion that "a constitutional convention is the one method by which a complete revision of the constitution can be brought about at one time." He adds, however, that it may be necessary to first amend the convention section to simplify the present procedure which makes the calling of such a convention next to impossible.

E. C.

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The Proceedings of the Nineteenth Annual Meeting of the Assembly of Civil Service Commissions, September 13–17, 1926, comprise a pamphlet of 161 pages. The various reports contain practical suggestions of special value to those engaged in the actual administration of civil service principles. Appendix four is a civil service map showing governmental units in the United States and Canada operating under civil service laws. Although compiled in 1923, it is useful nevertheless.

E. C.

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The Playground and Recreation Association of America has recently published a reprint from the *Playground on Stadiums*. The constantly increasing interest in athletics in municipalities as well as in universities and high schools is shown by the very complete and valuable table that comprises most of the pamphlet. The pertinent facts necessary in the erection and maintenance of stadiums are tabulated in sufficient detail to make the pamphlet most useful to those considering the erection of such a building.

E. C.

PUBLIC UTILITIES

EDITED BY JOHN BAUER[1]

PUBLIC UTILITY COMMON STOCK—CAN WE DO BETTER?

By an Anonymous Contributor

The present difficulties in the regulation of public utilities from the standpoint of the public, the utilities, and the commissions have been pointed out many times. May it not be worth while to consider a different form of financial structure and compare the difficulties it would involve with those from which we now suffer.

Suppose we permit the utility companies to issue common stock without par value, the dividend on which shall be limited by law to $8.00 (not 8%) per share per year, stock dividends being prohibited, and provide further by law that the commissions shall permit the utility companies to charge rates which will allow them to earn this dividend if they can. Whether the dividend were limited to $4.00 per share or $8.00 per share or any other figure would make no difference in the theory of the plan. What figure should be adopted is simply a question of what price range is desirable for the stock of a utility company. The price at which stock should be issued would also have to be approved by the commission and the proceeds should be used only for capital.

NO NECESSITY FOR VALUATION

The primary advantage of such a plan is that it would eliminate completely all necessity for valuation. In a rate case before a commission it would only be necessary to consider whether the rate in question was properly balanced as between the different classes of service, to estimate the probable effect of a rate change on gross income and volume of business, and compare the resultant net income with the dividend requirement. The determination of the effect on income of a proposed rate change is by no means an exact science, but this difficulty would be no greater and no less under the proposed plan than under the present system.

If a utility company accumulates a surplus above its dividend requirements and this is invested in additions to plant the public shares in the benefit and runs no risk of such additions being made, in the courts, a basis for higher rates. Such a surplus will also improve the quality of the security and make the stock sell at a higher price.

If a company needs to sell additional stock to enlarge its plant the commission will have to decide whether in its judgment the price suggested by the company is reasonable, in view of the market price of the existing stock and the general state of the money market. In some states the commissions already have to make this decision.

One objection which will be raised is that we will lose the incentive to efficient management which has been furnished by the possibility of an occasional extra dividend or a higher regular dividend rate. This matter of efficiency is highly important and must be considered from all points of view.

The direct cost of litigation and valuation are considerable. The indirect cost due to the best brains in the management being devoted to these non-productive issues instead of to the real work of the business is also considerable. The proposed plan would not only save the out of pocket expenses for legal fees, accountants' fees and experts' fees,[2] but would enable the management to concentrate on production, distribution and service. This is bound to make for higher efficiency.

LESS INTERFERENCE IN MANAGEMENT

Furthermore the legal limitation of dividends will mean less interference in management by the speculative-banker-director and more power to the engineer. Any engineer who is worth his salt will choose to do an efficient job rather than an inefficient one just as a matter of maintaining his own self-respect.

It is also true that the active managers of some of the best managed public utilities in the country own little or none of the stock of the companies they manage. These men and men like them are not going to drop their standards because the stock of their companies has been put on a more stable and less speculative basis.

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[1] Director, American Public Utilities Bureau, 280 Broadway, New York.

[2] The accountant is the man who finds the 2 and 2 that make 4; the expert is the man who makes 2 and 2 look like 5 or even 6.

The possibility of increased dividends is not the only incentive to efficient management. Regular dividends are not and cannot be guaranteed. Efficient management is the only safe basis for regular dividends. The stock of well managed companies will of course sell at a higher figure than the stock of poorly managed ones, similarly situated. The stockholders will still desire efficient management both to insure their dividends and to enable them to dispose of their stock at a higher price when they have occasion to sell it. All things considered there seems to be good reason to believe that the proposed plan will tend towards greater rather than less efficiency.

Some holders of present common stocks may say that they would not be interested in the kind of common stock proposed. That is undoubtedly true. But there are other investors who would be more interested in it. The price of any stock depends upon security and stability, the present and prospective yield, and the general state of the market. There is nothing unfair in such a plan to the stockholder who buys the stock with the limitation of dividend attached. The price automatically adjusts itself to the public estimate of its value. Those who think it a good buy at that price buy it and those who think it too high leave it alone. The only interest the public has in the financing of the utility is that the total amount disbursed for the use of capital, in the form of interest and dividends, shall be at the minimum consistent with the ability of the company to get additional capital whenever needed for growth and extensions. There is no reason to suppose that the average cost of capital would be increased by the plan under discussion. It would still be necessary in the case of an infant utility to place the initial issue of stock at the low figure commensurate with the risk. At the same time it would not be possible for the stock of an adult utility to double and treble in value as has often happened in the past.

In some states utilities are prohibited by law from issuing additional stock at less than par. It sometimes happens that a utility cannot market its stock at par or better at a time when money for extensions or betterments is urgently needed in the public interest. In such a case the more flexible arrangement of stock without par value would have decided advantages.

Even if such a plan as that outlined is desirable there remains the whole difficult problem of putting it into operation. In a matter of such importance it is surely worth while to try to find the best possible solution and then strive to come as near to it in practice as we can.

COMMENTS ON NON-PAR VALUE PUBLIC UTILITY STOCK

By the Department's Editor

The author of "Public Utility Stock—Can We Do Better," casually puts his finger on the difficulty of his plan—"putting it into operation." Indeed how can it be carried into effect without the prior formulation of policies to which, apparently, the author gives little consideration.

If we were starting *de novo* with our utilities, there could be no serious objection to the non-par value basis of capitalization discussed. It would have complete flexibility to meet changing conditions of the market. It would be based upon actual investment and would provide a definite rate base, shown by the accounts, and not subject to dispute in any proposed rate adjustments. It would provide for scientific rate-making, based upon exact facts and not upon variable and indeterminate quantities. If established by statute, it would probably be sustained by the courts.

NOT STARTING WITH CLEAN SLATE

But we are not starting with a clean slate, and a new statute. In the normal case we have a company which has various grades of par value securities outstanding, with the common stock, at least, representing no definite quantity of investment. Moreover, under the law, backed by the force of the Supreme Court of the United States, it is the "fair value" of the property and not the *investment* upon which rates must be based. To be sure, no one knows with definiteness how the "fair value" is to be determined—how the several elements, oft repeated by numerous tribunals, shall be computed. That, however, does not matter—proper consideration must nevertheless be given to all factors according to the circumstances of each case. Having before us the latest decision and opinion of the Supreme Court, we must keep especially in mind the *reproduction cost* of the properties.[1]

Under these circumstances, there is indeed a difficulty in putting into effect the simple non-par value plan, with fixed and limited dividends. On what basis will the existing securities, especially the par value stock, be replaced by non-par shares? To effect the transition would require thorough legislation of such comprehensive character as to meet the variously complicated financial structures of existing companies and to establish the fundamental law relating to "fair value" and the right of the companies to a return. For this purpose, an initial valuation of all existing properties would be necessary, fixing once for all, definitely and permanently, the "fair value," and providing that for all future additions and extensions actual investment shall be the fixed basis of "fair value."

In legislating to that end, great care would have to be exercised in establishing a rule for the valuation of the existing properties so as to provide for such "fair value" as would pass the scrutiny of the courts. The present rights as recognized by the law cannot be brushed aside, but must be given a fair equivalent in terms of the greater definiteness and certainty assured to the companies for the future. What is such an equivalent? This is a matter for legislative determination subject to judicial surveillance. It would require the most careful formulation of policy, with the fullest regard to the requirements of effective regulation, the financial stability of the companies, and fairness to existing investors under present law; the finest balancing of private rights and legitimate public purposes.

When such constructive legislation has been established and an initial valuation of existing properties has been made, then a non-par value plan, with fixed dividends, could be readily put into operation, and it would provide satisfactorily for effective regulation both from the standpoint of readily administrable procedure and the financial security of the companies. There would be no grave difficulty then in exchanging the par value for non-par value shares. The conversion might even be enforced through the legislation providing for the whole system of new regulation. The definite rights of one class of stocks would merely be changed into equivalent rights of another kind. In such an exchange there should be no fundamental legal obstacle if the rest of the effective system passes judicial muster.

NO GREAT ADVANTAGE

But if there has been enacted the kind of constructive legislation just outlined and if the existing properties have once been valued so that there is a definite rate base established for each company, it is difficult to see any great advantage in non-par over par value stock. The basic thing accomplished is the establishment of an exact rate base, permanent, non-fluctuating, beyond dispute in proposed rate adjustments. Whether thereafter the return allowed is a fixed rate per year upon par value, or a fixed number of dollars upon non-par shares, appears to be not very important. Since special legislation would be needed for either course, it would be quite as easy in the interest of flexibility to permit the sale of stock at the market price, below par value, as to provide for the issuance of non-par shares. The choice would certainly be between *fiddle-de-dee* and *fiddle-de-dum*, provided that in either case the basic facts of the initial valuation and subsequent additional investment are shown by the accounts and the returns allowed are definitely fixed.

Personally, I have nevertheless a distinct preference or prejudice in favor of the *fiddle-de-dee* of par values. For public utilities, the par capitalization serves more readily to show directly the rate base or the amount of investment or "value" which the public is required to support through rates charged for service. If adjusted to basic valuations, it furnishes more simple statistical information to ordinary non-technical individuals. But I should not be disposed to argue much for par value,—give me non-par shares if we may have the other constructive legislation necessary for a sensible system of regulation. To establish such a system is the real task for those who realize the utter chaos, waste, and futility of our present policies and methods.[2]

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[1] Indianapolis Water Case, decided by the Supreme Court on November 22, 1926.

[2] The problems involved in establishing such a system have been comprehensively treated by the writer in "Effective Regulation of Public Utilities," Macmillan Company, 1925. See also articles on special phases of the subject: "Rate Base for Effective and Non-Speculative Railroad and Utility Regulation," *The Journal of Political Economy*, August, 1926; "The Problem of Effective Regulation of Public Utilities," *Harvard Business Review*, October, 1926; "Reproduction Cost and Desirable Public Utility Regulation," *The Journal of Land and Public Utility Economics*, October, 1926; "The Supreme Court Speaks Again on 'Fair Value,'" NATIONAL MUNICIPAL REVIEW, February, 1927.

The I. C. C. Railroad Valuations and the Supreme Court.—On February 21, 1927, the Supreme Court of the United States handed down a vastly important decision refusing to interfere with the work of the Interstate Commerce Commission as required by an act of Congress.

As everybody knows, the commission has been employed during recent years in making the railroad valuations called for by the 1913 Valuation act. Its general plan has been to make the valuations for each railroad as of a certain date—June 30, 1914, in the particular instance. It based the valuation principally upon the reproduction cost, less depreciation, at prices prevailing during the five years prior to the date of the inventory. In addition to such a valuation, it has required each carrier to make subsequent continuation reports, stating for each year the retirements and the cost of all additions to the property. Just how the data thus collected, the initial valuation and the continuation reports, are to be used for the purpose of rate-making or otherwise, has not been definitely established by statute or by order of the commission. The basic facts, however, are thus available to be used as may be warranted in any particular action.

The Los Angeles-Salt Lake Railroad Company had obtained an injunction in the Federal District Court of Southern California against the order of the commission fixing the "final value" of its property. The matter was appealed to the Supreme Court which dissolved the injunction. The opinion was delivered by Mr. Justice Brandeis, who pointed out that the so-called order by the commission does not command the carrier to do anything, or forbid anything, or in any way grant, impose or withhold any duty or privilege, or determine any right or obligation. Consequently the order complained of could not injure the company. It was merely a formal record of certain conclusions based upon data collected through extensive investigation as required by the Valuation act. It was a duly legal exercise of powers granted by Congress. It cannot be reviewed by the courts.

Judge Brandeis points out, however, that when the valuation fixed by the order is used for the purpose of rate-making or otherwise imposing a duty or limiting a right, the carrier may then bring an action if it deems itself illegally injured by the then order which does affect actual rights and privileges. The decision, therefore, has its importance in overruling the lower court which by casual injunction would destroy all the Commission's valuations and set aside a general policy formulated by Congress,—nullify a vast work performed at enormous public expense.

The valuations, of course, have been intended primarily for rate-making purposes, and under the 1920 Transportation act, for recapture of excessive earnings. Just how they are to be used has not been determined. Since they are based primarily upon pre-war prices, they may require some adjustment for present higher price levels in order to pass judicial muster. This is one of the questions which doubtless will ultimately come to the Supreme Court for decision. But in the present case there was no such issue, or any point of litigation. The decision merely permits the commission to proceed with its statutory work and leaves for the future determination all real issues which may arise as to the valuations in connection with rate-making or otherwise.

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Farewell Report of the Pennsylvania Giant Power Board.—This is presumably the last report of the famous body created under the leadership of former Governor Pinchot of Pennsylvania. For the present, at least, the entire constructive program formulated by the board has been defeated. The Giant Power Bills presented to the legislature of the commonwealth last year were strenuously opposed in every important respect by the large electric companies serving the state and were defeated. Their scope and significance have been discussed in this department as well as in special articles in the REVIEW. The ultimate influence of the board is certain to be great—outside of Pennsylvania as well as in. It is already working, with promise of effectiveness, in the great neighbor New York.

The report includes much concrete material which will be of use to persons interested in power developments, rates, utility finance, and problems of regulation. The body of the report makes a brief statement of the work done by the board and the larger issues of the power problem. Besides there are twelve appendices which include a summary of the 1926 Giant Power Bills, an article on Giant Power by Philip P. Wells (from the October, 1926, NATIONAL MUNICIPAL REVIEW), a study of the appreciation of the common stocks of holding companies controlling electric utilities in Pennsylvania, a study of the cost to serve electric power consumers by the electric power utilities in the state of Pennsylvania, and a report on the "rate spread" for electric service by public utilities in Pennsylvania.

The last two studies mentioned were made by Mr. O. M. Rau of the Pennsylvania public service commission. They bring out concretely and forcefully the general point repeatedly referred to in this department—that electric rates are mostly based upon haphazard practice and not scientific determination of cost—and particularly that the *spread* or *differential* commonly existing between the lowest and highest rates charged by a company has no warrant whatever in proper cost analysis. Here is one of the fundamental problems in rate-making which has scarcely been touched by the commissions anywhere in the country.

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Water Power in New York and Elsewhere.—Those who followed the account last month of the water power question in New York, will be interested in a brief statement of the situation just before copy goes to the printer. It appears that in all probability Governor Smith's "Power Authority" plan will be defeated in this session of the legislature, and that instead a special "Power Commission" bill will be passed, which is likely to be vetoed by the governor. This commission would investigate the entire subject of water power development in the state, "with particular reference to ascertaining and forming a conclusion for consideration by the legislature regarding the policy which the state should adopt as to the manner in which the water power resources of the state should be utilized and hydroelectric energy developed therefrom, whether by the state, by a state agency or power authority, by private capital or in any other manner that will best conserve the public interest, accomplish the efficient and complete development of such resources!" The commission would be appointed jointly by the governor and the legislature, and it would report its findings in January, 1928, accompanied with legislative bills to carry out its recommendations.

In terms this bill sounds fair enough; but, really, there is little to be gained by such further investigation. The facts and issues are plain: the policy depends upon personal points of view and interests. The governor wants a state power authority. The Republican legislature wants private licenses, and stands to gain by delay and by the ponderous dicta to be delivered by conservative gentlemen of influential names,—which are fairly numerous among New York Republicans and are available for such a commission. The issue is likely to be conspicuous in the assembly elections next fall.

The power issue has been gaining in "paramountness" all over the country. The Boulder Dam project was defeated by a senate filabuster for the present. But it will doubtless rise before the senate again, as will "Muscle Shoals," and the recent report of the Federal Trade Commission on the vast power consolidations which have been effected during the past few years. These three matters will be discussed in this department next month.

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Home Rule and the Indeterminate Permit.—This is one of the important issues discussed during recent months by the municipalities and the legislature of Illinois. The proposed legislation has been summarized in these columns before, including the special studies and reports made by Dr. Delos F. Wilcox and by Corporation Counsel Francis X. Busch of Chicago. An interesting further discussion appears in the January-February number of the *Illinois Municipal Review*, by Dr. Edward W. Bemis. He particularly illuminates the question by a historical account of how the forces between state and local regulation have operated. He points out the principal evils that have developed under state regulation and indicates how they would be counteracted by practical provisions of home rule. Reprints of the article may be obtained by request to this department.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

THE CITY'S CONTROL OVER OTHER UNITS OF GOVERNMENT

By James D. Barnett

University of Oregon

In the recent case of *La Grande* v. *Municipal Court*[1] the Supreme Court of Oregon held that a city operating under a "home-rule" charter may not invest the circuit court with appellate jurisdiction over the municipal court.

In cases where the home-rule charter has not been involved there has been conflict in the decisions of the courts as to the powers of a city, in the absence of positive constitutional or statutory authority, to control the agencies of the state or of other municipalities situated within its borders. Property of the state or of other municipalities, at least where devoted to a "public" use, is thus held to be exempt from taxation by the city, although special assessments (for benefits received) are usually permitted.[2] Building regulations have,[3] and have not[4] been allowed so to apply; and it has been held that the locality may not regulate the salary of the state court exercising jurisdiction within its limits although paid by the locality.[5] But the city may abate a nuisance on country property.[6]

There is similar confusion in cases involving "home-rule" charters. The courts have allowed the application of city building regulations to a school district,[7] and the application of its vaccination regulations to a school district.[8] On the other hand, it has been held that a city may not apply municipal sanitary building regulations to the school district,[9] nor impose the duty of maintaining a bridge upon county authorities,[10] nor, conversely, contract the power of such authorities by assuming jurisdiction over county roads or bridges within the city limits,[11] nor transfer the power of regulating public service corporations from the state commission to the city council.[12]

The exact question involved in the principal case has also received contradictory answers. It has been held that the city may confer original or appellate jurisdiction in municipal matters upon state courts sitting in the locality.[13] On the other hand, it has been held that a city may not regulate the jurisdiction, original or appellate, nor the procedure of such courts.[14]

A more than ordinarily strict construction of the city's powers has in some cases been favored by the principle that statutes do not apply to the state or to any of the "arms" of the state unless these are expressly mentioned,[15] and so has the fact that such powers have often been conferred by express statutory authority.[16] The constitutionality of such delegation of power has, apparently, not been doubted by the courts, but has often been presumed.[17] It has been declared, in this connection, that "the creature cannot control the creator" (the state);[18] and the same principle has been applied to maintain the *status quo* of the municipality, an "arm" of the state.[19] The powers granted by law to the agencies whose control is attempted have been construed to prohibit action on the part of the city.[20] However, it has been considered that where the power exercised by the city was not vested in the other agency the city might supply the deficiency;[21] but this has been denied.[22] It has been urged that any dangerous encroachments by the city in following out this principle[23] may be prevented by state legislation.[24]

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[1] 251 Pac. (Or.) 308 (1926).

[2] Dillon, Mun. Corp. (5th ed.) 2431–6, 2577–8 (1911).

[3] *Bowers* v. *Wright*, 4 W. N. C. 460 (1877); *Salt Lake City* v. *Board of Education*, 52 Utah 540, 175 Pac. 658, 659 (1918).

[4] *Milwaukee* v. *McGregor*, 140 Wis. 35, 121 N. W. 642 (1909); *Kentucky Institution for Blind* v. *Louisville*, 123 Ky. 767, 97 S. W. 402 (1906); *Salt Lake City* v. *Board of Education*, 52 Utah 540, 175 Pac. 654 (1918).

[5] *Landon* v. *New York*, 49 How. Prac. 218 (1875); *Jarvis* v. *New York*, 49 How. Prac. 354 (1875).

[6] *Samuels* v. *Nashville*, 3 Sneed 298 (1855); *Llano* v. *Llano Co.*, 5 Tex. Civ. App. 132, 23 S. W. 1008 (1893); *Victoria* v. *Victoria Co.*, 94 S. W. 368, 371 (1906), reversed on other grounds, 100 Tex. 938, 101 S. W. 190 (1907).

[7] *Pasadena School District* v. *Pasadena*, 166 Calif. 7, 134 Pac. 985 (1913).

[8] *State* v. *Zimmerman*, 86 Minn. 353, 90 N. W. 783 (1902).

[9] *Board of Education* v. *St. Louis*, 267 Mo. 356, 184, S. W. 975 (1916).

[10] *Kiernan* v. *Portland*, 57 Or. 464, 462, 111 Pac. 379, 382, 112 Pac. 402 (1910).

[11] *West Linn* v. *Tufts*, 75 Or. 304, 146 Pac. 986 (1915); *Cole* v. *Seaside*, 80 Or. 73, 156 Pac. 569 (1916); *Christie* v. *Bandon*, 82 Or. 481, 162 Pac. 248 (1919).

[12] *Portland Ry., Light & Power Co.* v. *Portland*, 210 Fed. 667, 671 (1914).

[13] *Union Depot Ry. Co.* v. *Southern Ry. Co.*, 105 Mo. 562, 16 S. W. 920 (1891); *Kansas City Ry. Co.* v. *Marsh Oil Co.*, 140 Mo. 458. 41 S. W. 943, 945 (1897); *Stevens* v. *Kansas City*, 146 Mo. 460, 48 S. W. 658 (1898); *Grand Ave. Ry. Co.* v. *Lindell Ry. Co.*, 148 Mo. 637, 50 S. W. 302 (1899); *Grand Ave. Ry. Co.* v. *Citizens' Ry. Co.*, 148 Mo. 665, 50 S. W. 305 (1899); *State* v. *District Court of Ramsey Co.*, 87 Minn. 146, 91 N. W. 300, 303 (1902). Cf. *State* v. *District Court of St. Louis Co.*, 90 Minn. 347, 97 N. W. 132, 135 (1903).

[14] *Fawcett* v. *Superior Court*, 14 Wash. 604, 45 Pac. 23 (1896); *Badgley* v. *St. Louis*, 149 Mo. 122, 50 S. W. 817, 818 (1898); *State* v. *Seehorn*, 246 Mo. 541, 151 S. W. 716 (1912); *Cohen* v. *St. Louis Merchants' Co.*, 193 Mo. 90, 181 S. W. 1080, 1082 (1916); *Sapulpa* v. *Land*, 101 Okla. 22, 223 Pac. 640 (1924). Constitutional provisions vesting in state courts general jurisdiction or appellate jurisdiction over inferior courts have been held to be not self-executing. *Fawcett* v. *Superior Court*, 14 Wash. 604, 45 Pac. 23, 25 (1896); *La Grande* v. *Municipal Court*, 251 Pac. (Or.) 308, 310 (1927). But see Hoyt, C. J., dissenting, *Fawcett* v. *Superior Court*, above.

In some cases the grant of home-rule charters has been construed to make the people of the city and the state legislature coördinate authorities in this connection. "A charter is the organic law of a city in this state, whether it emanate from the general assembly, or is framed and adopted by the people of the municipality by authority of the constitution. Being a law for the government of the municipality, it is binding upon all courts, and it violates no principle of our government to say that the courts, when called upon, must enforce these municipal laws, unless they conflict with the constitution, and are not in harmony with the constitution and laws."[25] But it is generally established that home-rule provisions do not confer upon the city powers beyond what are purely "municipal."[26] Certainly the power to control other agencies of government cannot properly be termed "municipal." Logically the same principle exactly applies here as applies to extra-mural operations of the city.[27]

The decision in the principal case has been followed by a bill in the legislature expressly authorizing appeals from municipal courts to the circuit court.

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Right of City to Control Cab-Stands at Railroad Stations.—The control of a city over its streets carries with it the power to make all reasonable regulations over traffic. The streets are held in trust for the public, and the duty is imposed upon the municipal authorities to prevent the existence therein of any such obstruction as will constitute a nuisance. The king's highway is not to be used as a stable yard (*Wells* v. *Callanan*, 107 N. Y. 360), but the city may prescribe such reasonable rules for parking cars as will promote the more efficient use of its streets. This power, of course, is subject to the right of access of the owners of land abutting on the streets, and an interference with this right by the standing of vehicles at the curb has frequently been enjoined in actions prosecuted by them (*Schopp* v. *St. Louis*, 117 Mo. 131; *Branahan* v. *Cincinnati Hotel Co.*, 39 O. St. 333). Ordinances regulating traffic must therefore reasonably respect these rights of the abutting owner; but subject to this qualification from a very early day the power of the city to set aside part of its streets for cab-stands has been universally recognized (*Willard Hotel Co.* v. *D. C.*, 23 App. D. C. 272; *Park Hotel Co.* v. *Kitchin*, 184 Wis. 182). The reasonable exercise of this police power has always been upheld over public transit corporations operating under municipal franchise as well as over other common carriers.

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[15] *Milwaukee* v. *McGregor*, 140 Wis. 35, 12 N. W. 642 (1909); *Morristown* v. *Hamblen Co.*, 130 Tenn. 242, 188 S. W. 796 (1906); 17 An. Cas. 1003 (1910).

[16] *Cole* v. *Seaside*, 80 Or. 73, 156 Pac. 569, 571 (1916).

[17] *Morristown* v. *Hamblen Co.*, 130 Tenn. 242, 188 S. W. 796, 797 (1916).

[18] *Cole* v. *Seaside*, 80 Or. 73, 156 Pac. 569, 573 (1916); *Kentucky Institution for Blind* v. *Louisville*, 123 Ky. 767, 97 S. W. 402 (1906).

[19] *Morristown* v. *Hamblen Co.*, 130 Tenn. 242, 188 S. W. 796 (1916).

[20] *Fawcett* v. *Superior Court*, 14 Wash. 604, 45 Pac. 23 (1896); *Wilson* v. *Medford*, 107 Or. 624, 215 Pac. 184 (1923).

[21] *Pasadena School District* v. *Pasadena*, 166 Calif. 7, 134 Pac. 985 (1913); *Cook County* v. *Chicago*, 311 Ill. 234, 142 N. E. 512, 516 (1924).

[22] *Salt Lake City* v. *Board of Education*, 52 Utah 540, 175 Pac. 654, 656 (1918).

[23] *West Linn* v. *Tufts*, 75 Or. 304, 146 Pac. 986 (1915).

[24] *Pasadena School District* v. *Pasadena*, 166 Calif. 7, 134 Pac. 985, 986 (1913).

[25] *Kansas City* v. *Marsh Oil Co.*, 140 Mo. 458, 41 S. W. 943, 946 (1897). See also *State* v. *District Court*, 87 Minn. 146, 91 N. W. 300, 303 (1902).

[26] *Portland Ry., Light & Power Co.* v. *Portland*, 210 Fed. 667, 671 (1914); *Sapulpa* v. *Land*, 101 Okla. 22, 223 Pac. 640 (1924); *La Grande* v. *Municipal Court*, 251 Pac. (Or.) 308 (1926).

[27] *Fawcett* v. *Superior Court*, 14 Wash. 604, 45 Pac. 23 (1896); *West Linn* v. *Tufts*, 75 Or. 304, 146 Pac. 986, 988 (1915); *La Grande* v. *Municipal Court*, 251 Pac. (Or.) 308, 310 (1926).

It is fundamental that no city can by contract surrender its police power or shackle its exercise thereof (*Schappi Bus Line* v. *City of Hammond,* 11 Fed. (2d) 940, 1926).

The question as to exercise of its police power to regulate traffic on private lands which have been devoted to a public interest, as by the establishment of taxi-stands upon the lands of a railroad company set aside for the use of vehicles serving patrons of the railroad, has recently been before the federal courts in the cases of *D. L. & W. R. R. Co.* v. *Morristown,* 14 Fed. (2d) 257 and *Black & White T. & T. Co.* v. *Brown & Yellow T. & T. Co.,* 15 Fed. (2d) 509.

In the first of these cases, the Circuit Court of Appeals for the Third Circuit upheld an ordinance of the town establishing a public taxicab-stand on railroad property upon the grounds, first, that the company by contract made in 1912, at the time the tracks were elevated, granted to the town such right of regulation; and, secondly, that independently of such a grant the ordinance was valid as an exercise of the police power. The first ground based upon the stipulation of the contract "that the town may and shall exercise all necessary police powers in and upon the station, station grounds, approaches and driveways, for the purpose of regulating foot and vehicular traffic at said station, and for the enforcement of the rules and regulations of the railroad companies in respect thereto" seems a plausible basis for the decision, but it may well be doubted whether the intention of the parties covered such a control as here exercised or that such a contract could in any way enlarge the police powers of the municipality. If the decision is to be sustained, it must be upon the second ground, that the ordinance establishing a public stand for taxis upon the property of a railroad is a valid exercise of the public power. The decision seems to be opposed to the opinion of the Supreme Court of the United States in *Donovan* v. *The Pennsylvania Co.* (199 U. S. 279), in which Justice Harlan brilliantly delimited the rights of a railroad company to control the use of its station lands.

In the second case, decided by the Circuit Court of Appeals, Sixth Circuit, on November 6, 1926, and involving the respective rights of taxicab companies operating in the city of Bowling Green, the court vigorously upheld the right of the railroad company to control the taxicab privileges on its own property, and sustained an injunction against the interference by the defendant with the contractual rights of the plaintiff. The defendants largely relied upon certain statutes of the state of Kentucky forbidding discrimination by common carriers, which were of doubtful applicability, but the court took the broad ground that the question was one of general law in which the federal courts would not necessarily follow the law of the state. The court affirms that the rule is well settled that, "when not unnecessary, unreasonable, or arbitrary, a railroad may make arrangements, including the granting of special privileges to a single concern, to supply passengers arriving at its terminal with hacks and cabs, and it is not bound, at least in the absence of valid state legislation requiring it to do so, to accord similar privileges to other persons, even though they be licensed hackmen."

The position taken by the court in the Bowling Green case seems based upon sound principles and upheld by settled authority, and we shall be surprised if the Morristown decision is not reversed by the Supreme Court. Neither case involved the question of the relative rights of the public and the railroad company in the control of the streets contiguous to the passenger terminals in establishing cab-stands, a question which in certain of its phases may be far more difficult to solve as it involves all the problems of conflict between the police power of the city in regulating parking and the rights of access of abutting owners.

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School Funds—Right of Creditor to Compel Transfer of County Funds to School Treasury.—In *Fawcett* v. *Bell,* county treasurer, decided December 2, 1926, by the Supreme Court of California (251 Pac. 679), the plaintiff, a school teacher to whom accrued salary was due, was held not entitled to compel the county treasurer by writ of mandamus to transfer funds on hand to the school treasury to enable it to pay its obligation to him. The statutes of California provide that bills against school districts when audited and approved shall bear interest at 6 per cent, and in order to provide funds in anticipation of taxes the county treasurer, upon certification of the local superintendent, shall transmit funds to the school treasury not to exceed 90 per cent of the amount certified to be needed, to be returned out of the first money secured as taxes. While the court held that the school funds were absolutely subject to the control of the state, the districts being mere agencies for the administration of a public state function and therefore the statute was constitutional, it refused to mandamus the county treasurer upon the ground that his petition did not show what funds were available for transfer in view of the rights of other districts to make similar requisitions. Although not advanced by the court, it seems plain that no creditor would have such an interest as to give him the right in any event to invoke mandamus to compel the transfer of the public funds from one agency to another.

In most states the school district is, perhaps, the best example we have of quasi-municipal corporations organized to carry out a purely governmental function of the state with few if any powers beyond those expressly delegated. Thus in *Robertson* v. *Board of Education* (135 S. E. 863; Dec. 15, 1926) the Supreme Court of North Carolina holds such a state agency has no implied power to purchase land for a school site, and the Oklahoma Supreme Court in *School District* v. *Bath* (250 Pac. 1003, Nov. 23, 1926) holds that no power exists in the district to contract for services of teachers beyond the term of the current fiscal year.

◆

Legislative Control—Effect on Municipal Contract of Failure of a State Officer to Act.—The extent to which the control of the state over municipal affairs may be exercised is illustrated by one point which arose in the case of *Litchfield Construction Company* v. *New York*, recently decided by the Court of Appeals (244 N. Y. 251, 155 N. E. 116). By the Rapid Transit Act of 1891, the public service commission for the first district was authorized, subject to certain limitations, to make contracts in behalf of the city for subway construction. The contract in question was thus made in 1915, and the instant case involved the question of the final adjustment of payments due the plaintiff. By the terms of the contract, the work was to be done according to plans and specifications furnished by and subject to the inspection and approval of the engineer of the commission. Due to the delay of the engineer in promptly furnishing plans and issuing the required permits to the contractor, the latter suffered damages to the extent of some $813,000 for which he made claim against the city. The Appellate Division had held that this amount could not be recovered against the city on the ground that the engineer of the commission was a state officer for whose acts or omissions the city was not liable.

In reversing the decision of the lower court and holding the city liable, the Court of Appeals admits that the public service commissioners are not officers of the city, and that the control of the state over the building of the subways is based upon the interest of the public at large, as evidenced by the authority conferred upon these state officers to make contracts for their construction. Nevertheless, the building of rapid transit railroads like the laying out and improvement of streets and highways constitutes a "city purpose," and the city acts "not as sovereign, but as proprietor." The interest of the state gives it the right to regulate and control the letting of the contracts, and the construction, but all the acts of the appointed agencies so far as rights and liabilities which may accrue therefrom are those of the city. The contract, therefore, must be regarded as entered into voluntarily by the city, and is subject to the same construction as though entered into by the city without the direct or indirect control of the state. The plenary character of the power of the state over the construction of streets and transit facilities as exemplified by the instant case has been approved by the United States Supreme Court in *Boston* v. *Jackson*, 260 U. S. 309 (1922), which involved the question of the power of the state to impose taxation upon the city for the maintenance of the Boston Elevated Railway.

◆

Powers—Effect of Act Consolidating City and County.—In *Graham* v. *Philadelphia*, 135 Atl. 908, the Supreme Court of Pennsylvania passed upon the effect of the Consolidation Act of 1854 on the question whether the salaries of persons employed in prisons are to be fixed by the council of the city of Philadelphia or by the inspectors of the Philadelphia county prisons in whom that power was vested by a statute of 1835. This controversy had been first raised in 1924 by the refusal of the council to appropriate moneys to pay the salaries fixed by the inspectors.

In holding that this power had not been given to the city, the court points out that while by the Consolidation Act the powers and liabilities of the county so far as they concerned revenues, finances and taxation had been transferred to the city (*Philadelphia* v. *Commonwealth*, 52 Pa. 454) when the city and the county were made coterminous, the county was preserved and continued as one of the counties of the state. Therefore all the powers of the county not expressly granted to the city were retained by it. Although the moneys to pay the employees of the county prison must be raised and appropriated by the city, the determination of the amount of compensation to be paid them still remains with the inspectors of the prisons. Repeal of statutes by implication is not favored, especially where the effect of a general affirmative statute upon a previous particular statute is in question. The legislative intent is to be determined not only by this rule but by reference to other similar acts of the legislature (Pennsylvania R. R. Co.'s Appeal, 213 Pa. 373). An exception of the city and county of Philadelphia from the operation of a general act of 1889, giving this power to the boards of prison inspectors, is construed by the court as having been so worded for the purpose of making the practice uniform throughout the state, a somewhat peculiar if not altogether unique construction to be placed upon such a proviso.

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Zoning—Exclusion of Undertaking Establishments from Designated Areas.—In *ex parte* Ruppe, decided January 12, 1927, by the District Court of Appeals, Second District, of California, 252 Pac. 746, the petitioners by writ of habeas corpus sought to be released from the custody of the chief of police of Los Angeles, by whom they were detained upon a conviction for having violated the zoning ordinance of the city which restricts undertaking establishments to certain designated areas. The establishment in question was located a mile and a half from the nearest area open to such business, and the claim was advanced that as the population of the city since the enactment of the legislation some seven years ago had doubled, the ordinance had become in effect unreasonable, oppressive and against public policy. The ordinance had been sustained as a valid exercise of the police power in 1920 in the well-known case of *Brown* v. *Los Angeles*, 183 Cal. 783; 192 Pac. 716. The court appointed a referee to take testimony and held that, while it was apparent that conditions had materially changed, they were not such as would overcome the presumption of the reasonableness of the ordinance even at the present day.

While undertaking establishments are not a nuisance *per se*, they belong to that class of lawful businesses, such as livery stables and brick yards, which from their nature are apt to become nuisances in thickly settled neighborhoods and are therefore peculiarly subject to municipal regulation both as to their location and method of operation. The general well-settled rule is that, in the absence of legislation forbidding their establishment, no one who is not injured in person or property by their careless operation, can maintain an action to enjoin their establishment in a given neighborhood, but within the last three years, the highest courts of Alabama, Kansas and Missouri have affirmed the power of a court of equity upon petition of neighboring property holders to enjoin the erection of such establishments as private nuisances in residential sections, without regard to the way they may be conducted.[1] The power of municipalities under comprehensive zoning ordinances to confine undertaking establishments to specified areas has been uniformly upheld, whenever it has been exercised reasonably and the ordinance has not been discriminatory in inception and design.[2]

[1] *Higgins* v. *Block* (Ala.), 104 So. 429; *Leland* v. *Turner*, 117 Kans. 294, 230 Pac. 1061; *Tureman* v. *Ketterlin* (Mo.), 263 S. W. 202.

[2] *Osborn* v. *Shreveport*, 143 La. 932, 79 So. 542; *Meeger* v. *Kessler*, 147 Minn. 182, 179 N. W. 732.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Boston Finance Commission.—The Finance Commission of the city of Boston was engaged during March in: Examining and reporting on the city budget for the year 1927; examining and checking payments made on mothers' aid cases by the overseers of the public welfare department; checking requests for abatement of taxes; and checking contracts for street and parkway construction work.

✣

Committee on Finance (Chicago).—The Committee on Finance of the city council of Chicago has recently carried on the following projects:

> A study, in conjunction with the board of education of Chicago and Cook county, to obtain a more scientific and equitable valuation of real estate and personal property.
>
> Preparation of a bond issue program of about $20,000,000, to be submitted to a referendum vote on April 5.
>
> A detailed analysis of the annual budget amounting to $212,000,000, passed by the city council on January 19, 1927.
>
> Investigation of compensation obtained in private employment, by various groups and classes of employees.
>
> Investigation to determine the economic life of small automobiles used for patrol service by the police department.

✣

Citizens' Research Institute of Canada (Toronto).—The Institute published in February a report entitled, "Dominion Tax Reductions." This report showed dominion tax amendments in 1926, and under the heading "Where should dominion tax amendments be made?" gave as an illustration some of the main proposals put forward by various Canadian organizations. The report dealt with each suggestion separately, giving pros and cons with recommendations that, in the Institute's opinion, were feasible and generally beneficial to the Dominion at large.

The second of the annual cost-of-government-in-Canada series, "Provincial Government," has been published. The third of the series, "Dominion Government," is in course of preparation and will be issued in the near future. The value of this series is becoming better recognized each year. Legislators and city officials are able to see almost at a glance how their city compares with others of like population. Provincial governments are able to compare easily their revenues and expenditures with other provinces. Members of the Dominion Government, through this series, can tell just where their revenue comes from and how the money is spent.

It has been decided to hold the 1927 convention of the Canadian Tax Conference in Toronto.

The Institute coöperated with the provincial treasurer of Ontario in preparing a statement of per capita taxation in Canada, United States, Great Britain, and Australia.

✣

Delaware Taxpayers' Research League.—The Taxpayers' Research League of Delaware has prepared and submitted to the budget committee of the general assembly a plan for centralizing the purchase of state supplies in the hands of a state purchasing agent, accompanied by a bill for putting this plan into effect. The potential saving is estimated to be from $50,000 to $100,000 per year.

A plan for issuing 25-year serial bonds instead of 40-year, straight-term bonds for future highway construction has also been completed by the League, which has prepared a bill on the subject now in the general assembly.

Probably the first thorough analysis of the state sinking fund of Delaware ever made has been completed by the Taxpayers' Research League, and has disclosed surplus sinking funds of approximately $800,000. A plan has been suggested to state officials by the League for absorbing this surplus by the retirement of state highway bonds owned by the sinking fund, which will save to the revenues of the state highway department over $2,600,000 during the time which these bonds would otherwise run.

At the request of the Women's Joint Legislative Committee, the League made a study of conditions under which the muskrat industry is pursued in Delaware. It prepared a bill providing for the licensing of trappers, the identification of traps, the daily visiting of traps, the periodic reporting of catches, and the abolition of the ordinary steel trap.

The League has about completed its study of the bonded debt of the state. It has under way its study of the causes and extent of non-voting in Delaware, and a statewide campaign for stimulating citizen interest and increasing the League membership.

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The Albert Russel Erskine Bureau for Street Traffic Research, Harvard University.—The Bureau, under the direction of Dr. Miller McClintock, is bringing to a close this month the street traffic survey of the city and county of San Francisco which it has conducted during the past year.

The peculiar traffic difficulties in San Francisco resulting from the hill problem, the four-track street railway system on Market Street, and the unique layout of downtown streets will result in a number of innovations in traffic control according to the indications of the preliminary report.

In general the code for San Francisco developed by the Bureau will be similar to the one recently designed by that agency for the city of Los Angeles. With some modifications, the Los Angeles code has been approved for state-wide adoption, and the majority of the larger cities of the state are now working under uniform traffic regulation. The San Francisco report will include not only proposals for a comprehensive system of traffic regulation, but will also incorporate administrative and judicial changes for effective traffic enforcement.

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Finance Committee, Harrison, N. Y.—The research secretary of the Finance Committee of the town of Harrison, N. Y., has been making an analysis of the expenditures of that town by governmental units over the period 1921–1926, which will be of invaluable help in formulating a comprehensive fiscal program.

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Indianapolis Chamber of Commerce.—The civic affairs department of the Indianapolis Chamber of Commerce succeeded in having passed, at the session of the legislature just closed, a bill to require treasurers of cities of the first class to account for interest on public improvement assessment funds. Hitherto the treasurer has taken this interest money for himself, and it has amounted to $35,000 or $40,000 a year. The department also obtained enactment of a bill to reduce from 6 to 2 per cent the amount of delinquent tax fees retained by the treasurer. This legislation will reduce the income of the treasurer of Marion county, in which Indianapolis is situated, from nearly $100,000 to about $15,000 per year.

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Kansas City Public Service Institute.—The Kansas City Public Service Institute has just completed a report on the general organization and operation of the government of Jackson county, in which Kansas City is located. It is hoped that, as a result of this report, a plan for reorganization of the county government may be devised.

The Institute has under way a detailed study of the welfare activities of the county, including the organization and business operation, as well as the social service features of the various welfare activities. These activities in Jackson county are quite extensive, and there is a feeling that there is much room for improvement in both business methods and in the methods of handling the work of the various county institutions. The report on this study will not be completed for some time.

Other studies under way include analysis of the financial condition and operating methods of the water works, a study of the needs for extensions of mains, and a preliminary study looking toward a ten-year financial and improvement program for the city and county governments.

A pamphlet on the governmental research movement and its relation to the science of public administration has been prepared for local use and will be ready for distribution shortly.

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Los Angeles Bureau of Budget and Efficiency.—The Bureau is preparing a schedule of public improvement to be spread over a period of five years and to be submitted in connection with the tentative budget for the ensuing fiscal year. This schedule takes into consideration all expenditures for public improvements from special improvement funds and also proceedings which are put through by special assessment.

The difficulties of an exceptionally low net tax rate, the rapidity of growth of the major areas, and the annexation of the adjacent territories make the budgeting of the necessary improvement programs quite complex. It is further complicated by the fact that the area of the city of Los Angeles at the present time comprises some 434.22 square miles.

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The Ohio Institute.—The Ohio Institute is at present engaged chiefly in assisting several legislative committees. Certain of the measures with which it is concerned deal with the following subjects: Classification of prisoners in state institutions; extension of sentence for certain types of prisoners; state budget; state school aid; school district reorganization; county reorganization.

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Philadelphia Bureau of Municipal Research.—Messrs. Beyer, Patterson, Shenton, and Howland of the staff of the Bureau are conducting a class in municipal government at Swarthmore College this spring.

Those who concern themselves with how municipal research gets over the goal line will be interested in the following tale of the activities of the Philadelphia Bureau in a campaign for serial bonds in Philadelphia. The ball is not yet over the line, but from the stands it looks as though the home team were in possession of the ball on the one-yard line.

During March and April of last year the city council was considering new loan authorizations totaling $54,750,000. Three issues of *Citizens' Business* were devoted to the relative merits of serial bonds and term bonds, the only kind the city has floated for many years. One of the issues gave detailed calculations proving that over the life of the proposed loans the serial plan would result in a saving of about $5,740,000, assuming that the bonds would bear 4 ¼ per cent interest, a conservative assumption at the time, and using the rates of sinking-fund earnings used by the city in fixing the amount of payments to the sinking funds. This issue of *Citizens' Business* was directly responsible for 60 column inches of newspaper publicity, half of it in the news columns, the other half vigorous editorial comment favoring the Bureau's position.

Almost immediately, members of the Bureau staff were invited to a conference with the leading city officials to discuss the matter. Although the loan ordinances were not amended so as to permit the issuance of serial bonds, the officials agreed to look further into the question.

A few months later the *Evening Bulletin*, with a circulation of over 500,000, started a campaign for serial bonds, running daily articles, most of which featured the Bureau, and giving statements by prominent bankers and business men in favor of serial bonds.

Meanwhile, the question captured the interest of another group. The Philadelphia Chamber of Commerce had appointed a committee on taxation and public expenditure and had invited the director of the Bureau to become a member of the committee. A sub-committee was appointed to look into the question of serial bonds for Philadelphia, and this committee, composed mostly of bankers or men familiar with problems of finance, turned to the Bureau for assistance.

At the request of the sub-committee the Bureau prepared an elaborate memorandum dealing chiefly with the mathematical aspects of sinking-fund bonds versus serial bonds. Tables comparing net cost, annual burdens, and gross burdens for sinking-fund bonds, straight serial bonds, and equal-annual-burden serial bonds were included. Other items of miscellaneous information were also furnished.

The sub-committee also investigated the question of the legality and marketability of serial bonds. Opinions of leading bond attorneys to the effect that there was no legal obstacle in the way of serial bonds were secured. A number of large bond dealers who were consulted were unanimously of the opinion that serial bonds could be marketed to as good advantage as term bonds, and possibly to better advantage. These considerations, together with the material furnished by the Bureau, prompted the sub-committee to sponsor a report which sustained almost every contention which the Bureau has made on the serial-bond question. The report of the sub-committee was adopted by resolution by the main committee and also by the directors of the Chamber of Commerce.

On the same day on which the Chamber of Commerce took this action the mayor appointed a committee to investigate the subject, but this committee has made, as yet, no report.

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St. Paul Bureau of Municipal Research.—The Bureau invited all the Ramsay county representatives in the state legislature to a meeting at which the Bureau offered its services in analyzing pending legislation. This offer met with hearty approval. Reports have been prepared and issued on teachers' pension systems, the proposed bond issue for county charitable institutions, and distribution of gasoline tax to local communities.

San Francisco Bureau of Governmental Research.—A booklet to be called, "Ten Years of Municipal Research," is being prepared and will soon be published by the San Francisco Bureau. The booklet is intended to review the principal Bureau accomplishments since it was founded in October, 1916, and to outline its future program. It is for general distribution to the more than 600 members of the Bureau and to prospective members. Since the publication by the Governmental Research Conference of its booklet, "Twenty Years of Municipal Research," many useful excerpts on bureau methods and policies have been incorporated in the local publication.

A study is about completed of the financial history of new school construction in San Francisco for the last eight years. The study will include the present status of the school building program, both financial and physical; what will be the requirements; and recommendations of how these may be financed.

For the purpose of informing the public generally on the status of all city funds for the first six months of the fiscal year, and also to have accurate and comprehensive information on the trend of municipal expenditures for budget recommendations, the Bureau has compiled statements on the actual expenditures and encumbrances of all city funds as of January 1, 1927, and estimates of anticipated revenues for the fiscal year.

The Bureau has recently published a report concerning the 1927 award of the Impartial Wage Board on wages paid to building trades crafts in San Francisco. Reports have also been published on wages received by city employees for similar services, and on the necessity for the completion of a salary standardization report by or through the civil service commission as a solution of the constantly-recurring problem of proposed salary increases.

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Toronto Bureau of Municipal Research.—The Bureau has published a White Paper dealing with the reasons for the increased tax rate and commending the city council for their action. The White Paper points out that the Bureau has always advocated a pay-as-you-go policy and strongly denounced the postponing of payment of current obligations.

Following a newspaper report of increases amounting to $100,000 in civic salaries suggested by the civic survey commission, an open letter was prepared and sent to the members of the city council.

A meeting of the Ontario Municipal Association Executive (of which the director of the Bureau is secretary-treasurer) was held, and the information which had been collected and tabulated relative to the proposed income tax exemptions was presented to the Premier of Ontario.

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Utah Taxpayers' Association.—The Association has introduced a bill to the legislature requiring that serial bonds shall be the form of bonding in the state and its political sub-divisions.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY W. E. MOSHER

Report on Lunacy.—A royal commission has just issued a report based upon an inquiry into the methods of caring for people suffering from mental disorders. The commission made a survey both of private and public institutions. According to a review of the report entitled "Royal Commission on Lunacy and Mental Disorder" (H. M. Stationery Office, 3s 6d), the investigation was most thorough and the recommendations that grew out of it most constructive. One of the outstanding features is the insistence upon complete revision of the local attitude toward mentally afflicted people. The keynote of the future should be prevention and treatment. This calls for the provision of facilities whereby people may be treated without pressure or formal commitment. The importance of proper treatment for incipient disorders is stressed.

Reference is also made to the reluctance of the medical fraternity to certify to insanity because of the liability of prosecution. Recommendations are made that look toward giving protection to physicians in this procedure.

Although new expenditures are required if the recommendations are put into effect, the report indicates that there will be savings which will partially offset such increases if facilities for early treatment are more adequate, thereby making possible recuperation before institutional treatment is required.—*Local Government News*, October, 1926.

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Housing Progress.—The minister of health reported in the House of Commons last July on the progress being made in the housing situation in England. In an act passed in 1924 it was deemed necessary for England to build 175,000 houses a year for twenty years. In 1925–26 173,000 were actually built, and of these 153,000 are working-class houses. This achievement seems the more noteworthy when one considers the heavy burden to which public authorities in England have been put because of the extensive unemployment and industrial disturbances.

The progress in housing has been accompanied by a growing appreciation of town planning. According to the minister of health, over 2,000,000 acres are now subject to town planning, and steps are rapidly being taken toward regional schemes. At present there are thirty-six regional plans in operation, involving 550 different authorities and a population of 17,550,000.—*Local Government News*, October, 1926.

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Training for Public Administration.—Perceptible progress is being made in England in the direction of training in public administration. The University of Manchester is the first to give a degree of Bachelor of Arts in Administration, the course including the following subjects: political economy, political philosophy, sociology, social administration, psychology. A recent survey shows that a number of universities are teaching individual courses in public administration, while Birmingham and Manchester already grant certificates. The London School of Economics has also taken under advisement the granting of a diploma in Public Administration.

This movement is being accelerated by the activities of the Institute of Public Administration, whose influence is rapidly increasing under the leadership of Lord Haldane. As a matter of fact the Institute has considered the advisability of granting a diploma under its own authority so that regular membership in the Institute would give one a kind of professional status. This would be in line with the practice of certain engineering societies.

Any account of the educational work that is designed for those already in the public service would be incomplete without reference to the imposing array of courses that are offered by the Civil Service Educational Council. Among some of the titles are the following: estate management; law of local government; municipal organization, parliamentary procedure, statistics and legal rights and duties of the citizen. In addition to what might be termed the technical courses is to be found a series of those which according to the announcement aim to "enlarge the field of knowledge, to cultivate their powers of abstract thought, to refine taste in matters of literature and art and generally to enrich leisure by the pursuit of new intellectual interests."—*Institute of Public Administration, Monthly Notes*, October, 1926; *Whitley Bulletin*, September, 1926.

County Government in Germany.—An authoritative work on the subject of the Government of German counties (*landkreise*) has just been published. The authors of the work are Dr. Constantin, the head of the German Landkreistages and Dr. Erwin Stein, the general secretary of the Union of Communal Administration and Politics. This work is a symposium consisting of individual contributions from about fifty qualified officials.

Anyone acquainted with the development of the government appreciates how rapidly the responsibilities of the *landkreis* unit of administration have grown. This is a comprehensive statement of the workings and significance of this unit of government.—*Zeitschrift für Kommunalwirtschaft*, December, 1926.

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Expenditures for Public Welfare.—To one acquainted with the fluctuations in industry, finance and trade in Germany, the amount of money spent by local governments in the name of public welfare is nothing less than astounding. The burdens upon the municipal government in this direction have, of course, greatly increased because of the after-effects of the war. For instance, in the city of Danzig the expenditures under this item have jumped from 1.6 million gulden in 1913 to 5.9 millions in 1926. In 1913 17 per cent of the budget went for public welfare. This grew to 25 per cent in 1925 and 32 per cent in 1926.

Not only has there been an expansion in the established functions, but activities along new lines have increased in recent years. Similar increases in other cities have taken place.—*Danziger Statistische Mitteilungen*, September, 1926.

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Bonus to Public Servants.—The Borough Council of Wimbledon recently passed a resolution providing that the salary of the electrical engineer in charge of the municipal plant should be increased by a bonus of 2½ per cent on profits in excess of a stated figure.

In commenting upon this resolution, the editor of the *News* takes a decided stand against any such procedure on the ground that public utility enterprises are not carried on for financial profit, and that it would be a dangerous thing to stimulate management to administer such a function for the purpose of making profits. In the judgment of the editor, any profits accrued should be used in reducing the rates to the consumer.—*The Local Government News*, December, 1926.

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Centralized Recruiting.—A law was passed last July by the government of the Irish Free State calling for the centralized recruiting of the public employees in local governments. According to this measure limited classes of officers, graded according to duties, are to be selected by the "Local Appointments Commissioners." The classes covered are the chief executive officials, county secretaries, town clerks, as well as professional and technical officials.

The local authority has the right to fill vacancies to such positions by promotion or by the appointment of a pensioner. Otherwise they are to place a request with the commissioners to make recommendations. The latter may recommend, if they think proper, two or more persons. Generally speaking, candidates will be selected by competitive examination, conducted under a standing or special selection board that is chosen for each class of appointments.

Suspension is permitted in case of misconduct or default either by the local authority or the minister.—*Local Government News*, December, 1926.

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Moving Picture Taxes.—The percentage of taxes imposed upon moving picture theaters in forty German cities are brought together in tabular form in a special survey of this type of taxation. With one exception all of these cities provide for reduction on films of a cultural or an educational character. In a few cases where the performance consists largely of educational or cultural films the tax is entirely eliminated. In Berlin, for instance, the provision calls for a customary tax of 15 per cent. If, however, two hundred meters of the films shown deal with cultural and educational materials the amount imposed is 14 per cent, but when such matter constitutes one half of the program the amount of the tax is 10 per cent.—*Mitteilungen des Deutschen Staedtetages*, December, 1926.

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Infant Mortality.—A conference of experts, operating under the Committee of Hygiene of the League of Nations, has recently made a report on the protection of infants. It is recommended that an international commission be appointed to take up special problems connected with infant mortality, and it is proposed that the members of the conference coöperate by making observations in their respective countries. These observations should deal with two urban and two rural regions and should be made both from the medical point of view and that of public hygiene. Among other things, it is hoped that there will be a unification of methods of registering infantile deaths which should be based upon definitions worked out under the auspices of the committee. Special reference is made to the immunization campaign against diphtheria, measles and scarlet fever. It is anticipated that both favorable and unfavorable experiences with such methods will be brought together so that a covering report may be made available for all interested.—*Les Sciences Administratives*, December, 1926.

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Public Reporting.—In view of the increasing consideration being given to public reporting attention might well be directed to the monthly bulletins of the Statistical Bureau of Danzig. The last three issues received (Nov. 6, Dec. 4 and 30) contain summary reports on various municipal activities and conditions for the year 1925. Among these are the following: Criminal statistics, fires and fire losses, functions and activities of the welfare bureau, comparative data on public employees from 1913 to 1925, unemployment for 1923–26, traffic accidents, increase in the number of automobiles, and various other matters pertinent to the life of the city.

The effort is consistently to make the material readable and readily understandable. For instance, it is pointed out in the article on automobiles that of the 1113 passenger cars in the city, 209 are Fords, or one in every five, and that, although in the United States there is one automobile to every six people, in Danzig there is only one to 179.

Perhaps the most interesting account in the whole series of reports is that of the welfare bureau. It offers a bird's-eye view of the various functions performed by the bureau, as well as statistical matter indicating how extensive they have become in the post-war years. The first place is assigned to the assistance, both financial and other, to those injured in the war and the survivors of those killed. Assistance to the unemployed occupies the next important place. This covers such items as financial aid for travel, help for the winter period, milk, money to meet premiums on sickness insurance, etc.

A paragraph of the report is devoted to the fight against alcohol, another to legal advice and still another to the effort made to improve housing conditions by developing garden colonies and small gardens. A special section of the bureau carries on secretarial work. Among other things it keeps records of all persons who receive assistance of any kind, either by public or private agencies. Another function has to do with the administration of funds left the city for charitable purposes.

The growth of the activities of the welfare bureau are measured in terms of money and of the number aided. As to the former, the 170,000 gulden assigned to public welfare in 1914 climbed to 1,580,000 gulden in 1926. The 1261 aided in 1924, apart from those who received regular pensions in the form of cash, had increased to 5800 in 1926.

The above list of activities and the data covering the number of those assisted by the bureau of public welfare will indicate why it is that the top place in the expenditure column of the German municipal budget is devoted to public welfare.

NOTES AND EVENTS

EDITED BY H. W. DODDS

More Cities Require Safe Milk.—Extensive interest of cities in the nation-wide campaign against tuberculosis of livestock is seen in results of a survey recently conducted by the United States department of agriculture. A total of 874 cities and towns have ordinances requiring the tuberculin testing of cattle furnishing milk for consumption. Official reports indicate that with the exception of about 1 per cent the ordinances are fairly well enforced.

The action of such cities as Chicago, Cleveland, Detroit, and Louisville in promulgating tuberculin-test requirements has stimulated recent interest in this subject. The survey showed, however, that the smaller communities also are fully as active in safeguarding their milk supplies.

In addition to the 874 cities having tuberculin-test ordinances, 375 provide an option between tuberculin testing and pasteurization. Thus a total of 1,249 municipalities have taken positive steps to safeguard their milk supplies from possibility of disease transmission.

Fourteen states also have enacted laws or have issued regulations authorized by law requiring the tuberculin testing of cattle. Though varying in details, the laws have the same general purpose —to safeguard the wholesomeness of milk supplies. In all cases tuberculin tests must be applied by approved graduate veterinarians.

As a basis for skilled tuberculin testing in which the public may have confidence, the federal and state veterinary officials have prepared lists of "accredited" and "approved" veterinarians. These terms apply to private practitioners who have satisfied federal and state authorities as to their qualifications.

An examination of the forms of supervision over the tuberculin testing of cattle supplying cities with milk shows the large extent to which cities have accepted the so-called uniform plan of testing. This plan provides federal and state indemnities for cattle which prove to be tuberculous and which are removed from the herd and slaughtered. The plan is followed by 634 cities. Cities that rely on municipal inspection alone number 498, while 117 other cities and towns use a combination of the two safeguards or make some other provision for tuberculin testing.

A study of reports from the various states explains the rather general adoption of pasteurization as an additional safeguard even when the cattle are tuberculin tested. Proper pasteurization, as is well known, destroys any infection from other disease-producing organisms that may be present. It also gives double assurance that no living tubercle bacilli are present.

Several states have issued educational literature dealing with bovine tuberculosis, the evidence of transmission to human beings, plans for eradication, and laws and regulations for suppressing the disease.

Besides this means of stimulating interest in safe milk supplies, various state officials have drafted sample milk ordinances based on successful ordinances elsewhere. In these are embodied effective and practical provisions for dealing with the tuberculosis problem.

◆

Forecast of Capital Expenditures for Cardiff, Wales.—There has recently come to our attention a ten-year forecast of capital expenditures for Cardiff, Wales, prepared by Mr. John Allcock, the city treasurer and controller. This is an interesting document, setting forth the loan charges at the end of each fiscal year until March 31, 1935, and showing their effect upon the tax rate. The forecast during this period takes into consideration the carrying out of the town planning scheme, the contemplated roads linking up the eastern and western sides of the city, and the further allowance for extension of and improvement to existing roads and sewers. The expenditures for these purposes are estimated to average 125,000 pounds per annum. Additional forecasts are made on the construction of schools, waterworks, and housing projects. The forecasts are presented in a series of tables, showing in each instance the rate required to meet the expenditure for each year. Finally, these rates are summarized and presented for the ten-year period on a line graph.

Mr. Allcock's reason for emphasizing the rates, he states very succinctly: "I am quite convinced if rates increase, as they must unless capital expenditure is suspended, that for this reason the city will eventually suffer owing to difficulties in attracting new trades and businesses. One of the greatest inducements towards the establishment of new businesses and trades in our midst is to be found in the levying of a reasonable rate." His forecast in a nutshell advises the council "to pass a resolution to close down the capital account, except for present commitments or for remunerative undertakings, for a period of five years, unless such future proposals for the expenditure of capital moneys can be proved to be *imperative* in the general interests of the city, and . . . even then only those works should be undertaken *which cannot possibly be done without*."

A. E. Buck.

✦

Present Status of Milwaukee's Debt Elimination Plan.—Milwaukee has originated a scheme for the elimination of the city's public debt through the Amortization Fund law passed in 1923. Each year not less than one-third of the interest received by the city from various sources is applied to this fund, instead of being used to reduce taxes by that amount as had been done previously. The fund now amounts to $1,374,639—a little more than 4 per cent of the total bonded indebtedness.

The city controller estimates that at the end of fifty years the city will have contributed $12,650,000 to the Amortization Fund and the earnings will have been $35,277,000, which will wipe out all debts. Thereafter it is planned to proceed on the pay-as-you-go plan.

The Amortization Fund law also provides for the establishment of a Civic Foundation Fund to hold in trust all gifts and bequests donated by citizens for the purpose of eliminating the public debt. The fund is administered by five trustees—two appointed by the mayor, one appointed by the senior circuit judge of Milwaukee, one appointed by the president of the bank having the greatest savings deposits in Milwaukee, and one selected by the other four.

For the first twenty-five years the Civic Foundation Fund is in existence, one-fourth of the annual net income is to be credited to the Amortization Fund. For the next twenty-five years, one-half of the annual net income goes to the Amortization Fund, and thereafter seven-eighths of the annual net income goes to the Amortization Fund. As yet only $215 has been donated, but the administration hopes that some wealthy citizen will leave Milwaukee his wealth.

The Amortization Fund law states that when the fund equals three-fourths of the bonded indebtedness, "then three-fourths of the annual interest on said fund shall be applied to pay the interest on any outstanding bonds and to assume new bond issues of such city, or as the public debt commission may from time to time with the approval of the common council apply the same for any purpose for which municipal bonds may be legally issued."

There are no instructions in the act as to the disposition of the remaining fourth of the income, or of the principal. There is no assurance that this fund when it accumulates to several million dollars may not be used to purchase the street cars, or what not. If the object is to eliminate the city's debt, a surer way would have been for the legislature to require the city to finance a certain percentage of its capital outlays out of current revenues.

Harold L. Henderson.

✦

Stores in Residence Zones.—Before the zoning resolution adopted in New York ten years ago, the occasional grocer or butcher would jump his shop into some street corner in the heart of a residential district, thinking he could short-circuit the business of the neighborhood. He was usually shortsighted, and oftener than not he made a failure of it. It would not have been so bad if he were the only one hurt, but the effect was to hurt a large number of home owners. Wagon deliveries, noise, litter and increased fire risk were introduced into a quiet home district. There are plenty of cases where the bad result has continued for two generations. The misplaced store has never prospered, but the neighborhood has never revived.

The zoning plan seeks to keep stores on business streets and residences on residence streets. This makes business streets more attractive and rentals better because the street is solid business. It also makes residence streets more attractive and rentals better because there are no invasions of misplaced stores. Women prefer to do their marketing on a street having many stores. In the thickly-settled parts of the city no one needs to walk further than three minutes to reach a business street, and in the outlying districts not more than five.

Since zoning there has been a marked tendency toward one-story stores in the suburbs—sometimes two-story with the upper story arranged for offices. Stores with families above should be relegated to the dark ages of the past. The play space of small children ought not to be near fruit and vegetables exposed for sale. Ashes and waste from upstairs should not stand in front of stores. Sanitary streets should be all business and no families. One of the best tendencies of zoning is to make business streets business only and residence streets residence only.

In New York neighbors can prevent business and business signs in residence districts by complaining to the building department. The complaint should state that the business has been started since July 25, 1916, when the zoning resolution went into effect. These invasions are usually without structural changes. If the owner sought a building permit, it would be refused and the invasion would be checked. Neighbors should be alert to notify the building department when these insidious invasions begin. The building department acts on complaints, and usually not before. It cannot know what business is started since 1916, but the neighbors can.

Certain customary incidental uses can be started at any time in a residence district. For instance, a doctor, lawyer, music teacher or dressmaker can work in his own home and put up a small sign. But this must be incidental to his residence on the premises. If he employs others, or erects display signs, then his business becomes the principal use and his residence is only incidental. On complaint the building department will stop these violations.

Edward M. Bassett.

*

Planning Powers in the Proposed Standard Act.—Students of government, as well as city planners, will scan with special interest the proposed "Standard City Planning Enabling Act" presented in preliminary form by the United States Department of Commerce, particularly that portion dealing with somewhat novel or untested powers. Whether progress in such directions should be evolutionary or revolutionary is ever a moot point. Perhaps the real answer is that in one community the one, and in another the other method should be used. Nearly all agree that cities should have further city planning powers. Not so many will agree with the proposal in the present draft act that city planning boards should have extensive powers to adopt binding city plans. In Massachusetts, at least, such a proposal today would tend to wreck all city planning. Until the lesser advance has been tried and found wanting, legislatures will look askance on such a departure from the current theory of lodging as much authority as possible in the local council or similar body (and its creature or the people's choice, the mayor). Only by such concentration is it expected to preserve and enhance the dignity of office necessary to secure able councillors. Moreover, it may be urged that the city plan is so vital that it should be one of the council's greatest concerns.

In the voluminous and invaluable annotations which accompany the draft act this devolution of power to plan the city, which has, of course, obvious merits, is defended in a novel way by setting up a third category of acts, in addition to the usual administrative and legislative functions, called the planning function, and adducing reasons why this should not be exercised by a body of short-term elected officials inevitably preoccupied with immediate needs. Similar arguments would appear to apply to zoning, which, however, the same committee of the department of commerce in its Standard Zoning Enabling Act leaves in the hands of the council. To be sure, the proposed city planning act permits the council to override the planning board by a two-thirds vote, a somewhat meagre majority for many partisan cities, and all propositions requiring the expenditure of public money remain in the council's hands, except for this moderate veto power of the board.

Thus, in Part III of the act, the proposal now before the legislature in Massachusetts, and known as the Nichols plan, is incorporated, though in somewhat changed form, to grant city councils the right, on recommendation of the planning board or over its veto, to protect the beds of proposed streets by condemning an easement against liability for damages to any building thereafter erected therein and subsequently removed when the street is actually taken by the usual method.

Part II standardizes the control of platting and extends it to include control of the width of lots as well as location of streets, and to authorize the refusal of permits for buildings not on approved streets. This should protect the city plan against improper platting far more effectively than under the usual current practise.

Part IV provides alternative methods for setting up regional planning commissions with broad advisory duties and actual planning powers in "non-municipal territory," those parts of townships which surround most cities outside of

New England and which are really merely local administrative divisions of the county.

It is very much to be hoped that defense as able as that afforded our zoning laws will successfully protect every one of the features of this inclusive planning act wherever it is adopted, either in whole or in part. While the recent successful application of zoning has itself been a great vivifier to comprehensive city planning, actual planning powers are obviously the big step needed to make city and regional planning generally effective.

ARTHUR C. COMEY.

*

Administrative Reorganization Again Proposed in Oregon.—During the recent session of the Oregon legislature, Hector Macpherson, a member of the lower house, proposed a plan of administrative reorganization for the state government. However, the bills, which he introduced for this purpose, were defeated on a close vote in the house.

The plan proposed the creation of ten departments and the consolidation of the functions of practically all statutory agencies in these units. The elective officials other than the governor, namely, the secretary of state, the superintendent of public instruction, and the state treasurer, were to be associated with certain of these departments. The proposed departments were as follows: agriculture, labor and industry, finance, commerce, public works, public welfare, education, state police and military affairs, legal affairs, and state. All departments, except the department of education, were to be headed by single officials, called directors. The department of education was to be under the control of a board of nine directors, known as the state board of education. Otherwise, boards were to be entirely dispensed with as administrative agencies. In fact, such bodies were not to be used even in the performance of quasi judicial and quasi legislative functions. The directors were to be directly responsible to the governor except in two instances, the department of finance and the department of state, the treasurer and the secretary of state, respectively, being in charge of these departments. This arrangement was made on account of the constitutional limitations.

Following the defeat of his statutory plan of reorganization, Mr. Macpherson has started a movement for a constitutional amendment which, if adopted, will require the entire state administration to be refashioned into the ten departments mentioned above. Under this amendment the governor will be the only elective administrative officer, and he will appoint all department heads with the consent of the senate.

A. E. BUCK.

*

Manager Bingham Resigns from West Palm Beach.—The course of city manager government in West Palm Beach, Florida, has been tempestuous. Several months ago, a movement was started by a disgruntled councilman to recall the manager, as is permitted by the charter. This effort expired in thin air, but a second attempt resulting in a recall election was made a few weeks ago, this time with the assistance of a contracting firm which was being forced to lay paving in accordance with specifications. Although the result of the recall election was an overwhelming vote in support of the manager, the opposition continued its sabotage by bringing suit to enjoin the issuance of certain municipal bonds in order to cripple the financial capacity of the government.

In spite of the 3 to 1 vote of confidence at the recall election, Mr. Bingham decided to resign rather than continue in a situation dominated by rotten politics. His resignation takes effect immediately, but his salary will be paid until October 1, the end of the present fiscal year.

*

City Manager Progress in Three States.—The Illinois legislature is considering a bill extending to all cities of less than 500,000 population the opportunity to adopt city manager government. Under its provisions, the council will vary in number in accordance with the number of inhabitants. At present, the city manager form is optional for cities of less than 5,000 population only.

A bill is now before the Utah legislature providing optional director-manager government for cities of the first class and for cities of the second class of 30,000 population and over.

The Charleston county delegation to the South Carolina legislature has introduced a bill giving the city of Charleston manager government. The city council, to be five in number, will appoint the manager subject to removal at will.

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NATIONAL
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EDITORIAL COMMENT

Municipal ownership of the Philadelphia street railway system within thirty years through an amortization fund built up by the company now operating the system is proposed in a report by C. C. McChord, former chairman of the Interstate Commerce Commission, to the Public Service Commission of Pennsylvania.

*

Governor Hartley of Washington has vetoed the bill which would give first class cities in the state permission to pay from the general fund the deficiencies in local improvement district funds, and his veto has been sustained by the legislature. Readers will recall the unfortunate history of Washington L. I. D. bonds and will regret the failure of a measure designed to enable, though not compel, cities to assume their proper responsibilities.

*

We regret that the proposed amendment to the Cleveland charter, abolishing the civil service commission in favor of a single personnel director appointed by the manager, failed by a vote of 23,231 against to 9,227 for. The total vote was less than 27 per cent of the registration, but it is believed by the Citizens' League that if the amendment had been up at the November election results would have been different.

*

New York City is considering with some misgivings the proposal to build an elevated motor highway on the Hudson River waterfront to link the Canal Street approach to the Holland Vehicular Tunnel to New Jersey with Riverside Drive at West 72nd Street. The improvement will cost about $13,000,000 and will be financed by an assessment upon the taxpayers in Manhattan Borough. Its construction will involve the demolition of sixty-two old type tenements. The new boulevard will be a mile and a half long and one hundred and thirty-eight feet wide. New Jersey has similar comprehensive plans for the treatment of the highway approaches to her end of the tunnel.

*

Must city trees die? According to the Toledo division of parks and boulevards, there are now in that city 250,000 trees which require immediate care to save them. In all cities great numbers of trees are declining and dying from lack of proper attention. Most of them stand between the curbs and sidewalks where conditions of growth are particularly difficult. Trees are the most beautiful adornment which a street can possess and it is gratifying to know that many cities are taking definite steps not only to plant new trees but to preserve the majestic oaks, elms and maples which nature took decades to produce.

*

The National Conference on City Planning will hold its nineteenth annual meeting in Washington May 9, 10 and 11. The Wardman Park Hotel will be the headquarters and Secretary Shurtleff advises that reservations be made as early as possible. Subjects on the program include public services which require regional planning and control, the regulation of land subdivisions, and how city planning affects land values. A breakfast round table on zoning will be held on the second and third days. On the evening of the first day Dr. John Nolen will deliver his address as president of the Conference on the subject, "Twenty Years of Planning in the United States." For further information address Flavel Shurtleff, Secretary, 130 E. 22nd St., New York City.

*

Local Government and the Legal Profession Harvard University Law School has added another bit of evidence to its reputation for progressive scholarship by adopting a resolution to increase the course in the law of municipal corporations from thirty to sixty semester hours beginning with the academic year 1927–28. As we recall, Harvard was the first law school in the country to offer a course in this subject some thirty years ago. The course under Professor Jeremiah Smith was limited to ten hours; later under Professor Joseph Beale this was extended to thirty hours; and now in recognition of the importance of the subject of local government to the legal profession, it is given the rank of a full major course of two hours throughout the year.

Some time ago, we sent out a questionnaire to the teachers of the law of municipal corporations in the several law schools of the country. Our purpose was to get the general consensus of opinion from those best qualified to speak upon the question as to what training the law schools were directly giving in this subject and whether the courses were deemed adequate to its greatly increased importance. We regret to say that only some twenty-three of those addressed found time to send in replies, a number entirely too limited for the basis of any conclusive statistical deductions. We may mention, however, that of seventeen schools now devoting thirty semester hours to this subject, ten instructors believed the course should be increased to sixty hours and five advocated an increase to forty-five hours. Only two of the seventeen felt that the time afforded for their presentation was sufficient. Of those advocating a full course of sixty semester hours, three thought their curricula could be so adjusted, three came to the contrary conclusion and six were in serious doubt. It may be gratifying to the authorities of the Harvard Law School to receive this evidence of approval of the step they are taking to meet a present day need. The Harvard Law School has made great contributions to American scholarship in the past and has often pointed the way to the other schools of the country. We congratulate it on its recent resolution, which again gives evidence that its reputation for leadership in American legal education is not to be surrendered.

C. W. T.

*

Civil Service Difficulties The public is beginning to realize that civil service commissions are not always functioning in the manner which the recipe calls for. The reason is sometimes because of subservience to political ends, such as Cleveland is now experiencing, and sometimes because of the impossible burdens placed upon a commission financially starved and therefore unable to perform the assigned task. Of course financial starvation is generally due to the unpopularity of the merit principle with the politicians in city hall.

Recently an enterprising newspaper reporter discovered the New York municipal civil service commission engaged in illegal practices. It seems that more than 2,000 employees of the city enjoying temporary or emergency appointments had been retained beyond the four month period for which they were authorized by law. Indeed, some of these appointments were five or six years old.

The commission promptly acknowledged the newspaper charge as correct, claiming that the situation, though regrettable, was unavoidable.

There are 44,000 places in the competitive class for which the New York civil service commission must hold examinations. In addition it has jurisdiction over 9,000 posts filled by noncompetitive examinations and about 19,000 laborers' jobs. The commission holds annually more than 300 examinations of which about two-thirds are for purposes of promotion. More than 4,000 appointments are made each year and from 20,000 to 30,000 applicants examined. In the year 1926 the commission examined 29,584 candidates, more than 8,000 of whom took the examination for patrolman. For this work there is an examining staff of but sixteen persons. In 1917 when the work was considerably lighter the examination division had twenty-five examiners. It requires no Philadelphia lawyer to discover from these figures a strong presumption that the civil service commission is suffering from severe anemia if not actual starvation.

Upon the revelation of the "scandal" in temporary appointments, the president of the commission reported to the mayor that, in addition to the difficulties above outlined, the commission was having trouble in securing applicants for municipal posts at the salaries offered. In one important department the salary for engineering draftsmen was so low that reliance had to be placed almost completely upon young men still attending school and professionally unqualified for the work. New York City has adopted no salary standardization or systematic job classification. There exists, therefore, gross inequalities in salaries and little uniformity in tasks for which the same salary is paid.

Undoubtedly many of the city positions offer very unattractive salaries. On the other hand, it is true that industry is paying no more, and sometimes less, than the city offers for some positions which the civil service commission asserts are difficult to fill because of the low wage. Evidently the municipal service is less attractive than private employment even when the wage is not unfavorable.

We shall publish next month a longer article on New York City personnel management. From the brief story above, however, it would appear that the civil service commission needs more money and more men, but it would also appear that better financial support alone will not solve the difficulty. It is time to know why municipal employment does not attract competent persons when reasonable wages are offered. Is the reason because of the low prestige in which the city stands as an employer irrespective of salaries paid, or is it because the methods of the civil service commission do not measure up to those of its competitors in the private employment field?

*

Planning Super-Highways

Mr. Rightor's article in this issue on Progress of Rapid Transit in Detroit is particularly interesting because it deals both with future rapid transit development and with the master plan of major thoroughfares. In Detroit, highways and rapid transit are two phases of the same subject and consideration of both has been entrusted to the Rapid Transit Commission. (This commission must be distinguished from the department of street railways which is the operating agency for the municipally owned system.) In pursuance of their duties, the commission prepared a plan of subway and elevated lines for built-up Detroit to cost $280,000,000; a plan for street widening and street openings in the interior city to cost $100,000,000; and a super-highway plan for the unbuilt area within 15 miles of City Hall. Super-highways are broad thoroughfares containing a central right of way for four high speed traction lines, space for four lines of vehicular traffic with elevated cross-overs for express traffic, and 15 foot sidewalks on each side. Construction of such highways is only possible when undertaken well in advance; after an area has been built over it is too late to talk about surface rights of way for rapid transit lines.

The plan provides that as the rapid transit lines leave the super-highways they will pass underground to the subway tunnels to be built in the territory now thoroughly urban.

The part of the plan having to do with thoroughfare improvements and the super-highways has been warmly welcomed by the people. That part proposing rapid transit subways has not met such a favorable reception, largely because of the vast amount of money involved. The latter were to be financed in part by the fares of prospective car riders, in part by special assessments against benefited property, and in part by the city at large, and this method received the approval of the voters in September 1924.

The original proposal to spend $280,000,000 for 46 miles of downtown elevated and subway lines was later trimmed by the rapid transit commission to 22 miles and $135,000,000. But even this amount seemed too large to the Mayor's Finance Committee and the latter's report on a ten year improvement program for the city included a negative recommendation on it. On April 4 of this year a plan of subway routes was to go before the people for approval; but in view of the Finance Committee's adverse report and a rising popular suspicion that subways are neither wise nor necessary, the mayor requested that the proposal be taken off the ballot, with which request the transit commission complied.

Detroit's plan for .street improvements and new super-highways is a bold step, fully in keeping with her spirit of adventure, and one for which she will rejoice in years to come. But it cannot be doubted that her skepticism regarding subways is anything but wise. The vicious circle of subways and congestion is now apparent in New York City. Subways have a seductive attraction for growing cities, but unless they wish to invite what Mr. Dykstra calls "congestion de luxe" they will do better to consider whether greater centralization through subways planned on old lines is really desirable. If present signs do not mislead, decentralization is to be the keynote of the next era in city planning.

TOLEDO CITY MANAGER CAMPAIGN TAKES QUEER TWIST

BY AN INTERESTED BYSTANDER

The Republican organization packs a meeting called to arrange a city manager campaign, to the discomfiture of the original sponsors. What is the machine's game? :: :: :: :: :: ::

THE fate of the present movement in Toledo to adopt the manager plan of municipal government apparently rests in the hands of one man, Walter F. Brown, leader of the Republican party in northwestern Ohio and a close friend and adviser of the last Ohio president, Warren G. Harding. Brown has the advocates of the manager plan completely nonplussed as to his next move in the campaign to submit to the electorate the question of framing a new city charter. Through the use of an ancient political trick, Brown gained control of an "independent" city manager association at its very first meeting. Later the city council voted unanimously to submit to the people the question of framing a new charter embodying the city manager idea.

To understand the present status of the manager movement in Toledo, it is necessary to explain the high points in the brief life of the movement.

WHO DISMISSED JACKSON?

The present mayor of Toledo, Fred. J. Mery, went into office January 1, 1926, with the support of Walter Brown and the Republican organization. It is said that one of the promises which Mery made when he became the organization's candidate was that he would continue William T. Jackson in the office of service director. Jackson had made an enviable record as service director, particularly in the field of city planning, and Brown and Jackson were both official members of the city planning commission.

Mery waited only until after the county election in the fall of 1926 to bid Jackson adieu. At that election the people voted over $6,000,000 for public improvements, many afterwards stating that they had voted for the bond issues because they thought that Jackson would be the service director who would spend the money.

Jackson's forced resignation brought a great outburst of public resentment down upon the mayor and the Republican organization. All three newspapers openly criticised the mayor and the Republican organization. But the first real surprise and upset of the political dope bucket came when Brown in a signed statement claimed he was out of the city and knew nothing of the plan to dismiss Jackson. He himself criticized the mayor for the dismissal. To this day the mayor appears to be out on a limb, unsupported by any newspaper and without the backing of a partisan organization. Certainly he lacks the above-board backing of the Brown organization. It is maintained by some, however, that Brown knew and even planned the whole Jackson affair in order to rid the organization of such a powerful personality as the former service director. According to this view, Mayor Mery was made the "goat."

CITY MANAGER PLAN WAS POPULAR

The dismissal immediately started a cry for the city manager plan. Nine persons out of every ten didn't know exactly what the plan was, but if it could be used to take a whack at the present administration they were for it. The three daily papers came out for its adoption, and it is safe to say that if there had been an election on it within two weeks of Jackson's dismissal it would have carried by an overwhelming majority.

A special committee of the Chamber of Commerce studied the city manager plan and urged its adoption by the electorate.

The report of the special committee among other things recommended the establishment of an independent city manager association for the purpose of crystallizing the movement throughout the entire city and to draw up a charter to be submitted to the people through the initiative. It was the plan of the leaders to have a new charter submitted at a special election during the spring or early summer of 1927 so that the manager plan could go into effect on January 1, 1928.

ORIGINAL MOVERS LOSE CONTROL—A PACKED MEETING

A movement for a special election in the spring of 1927 having been started, the sponsors made arrangements for a meeting to organize a new city manager association. A set of governing rules was drawn up in advance, plans were made to select the right kind of a temporary chairman and to speed the entire project. But the leaders made one mistake—probably a fatal mistake for the city manager plan in Toledo. Instead of forming a close association with a few members as a nucleus and then inviting others to join, making certain that every member who did join adhered to the purpose of the association, the democratic method was adopted. Everyone who was interested in the manager plan was invited to be present and to join the association at its first meeting.

Imagine the chagrin of the leaders when, on the night of the first meeting, Walter Brown with his chief lieutenants and with a formidable array of city and county employees, packed the meeting, elected the organization's candidate for temporary chairman, referred the proposed governing rules to a committee, made the temporary organization permanent and passed a resolution asking the city council to submit to the people at the fall election the question of framing a new charter. To say that the advocates of the manager plan were swept off their feet is putting it mildly—it was a complete rout. A "sweeter" example of a packed convention has not been concocted in this city in recent times. Rumor has it that Brown had reserve troops in the persons of more city employees lying in wait at two points in the city to be called into action if needed.

At the meeting Brown, himself, took the floor and declared that he was in favor of the city manager plan in "principle." This set 'em to guessing again. A few days later Brown and his lieutenants appeared before the city council to urge that body to take the necessary legal steps to permit the people to decide whether or not a new charter should be framed. This the twenty members of council very promptly did. In addition Brown asked that in submitting to the voters the names of the candidates for the charter commission (the charter commission is selected at the same election as the one at which the question of framing a new charter is submitted), each candidate if he so desires shall have the right to have printed under his name either the phrase, "For the City Manager Plan," or the phrase, "Against the City Manager Plan." Council acquiesced in this, too, but Brown's peculiar request again set 'em guessing.

WHAT IS BROWN'S GAME?

What is Brown's game, is a question which has naturally arisen in Toledo. Every move which he has made seems to be in direct antithesis to that which would under ordinary circumstances be expected of the leader of the Republican party, the dominant party in Toledo.

Does he realize that the city manager plan is almost certain to come, as it has already secured a strong foothold in many Ohio cities? Is he, therefore, attempting to control the charter commission to enable him to dictate those provisions of the charter relative to the election of councilman and the merit system? Or, is he attempting to kill all sentiment for the plan by showing the voters how easy it is for the Republican organization to control anything that it wants to control in Toledo?

One thing he has certainly accomplished; he has delayed action on a city manager charter for more than a year. It is hinted that he is planning to run an exceptionally strong man for mayor at the coming fall election with the hope that if the city manager plan is submitted in 1928, the people will not be keen for a change from the present highly centralized mayor-council type. In any case, Brown has gained breathing time to shape his plans to the best interests of his party.

PORTLAND, OREGON, SEEKS TO SIMPLIFY HER REGIONAL GOVERNMENT

BY CHARLES McKINLEY

Reed College

The Report of the Commission for the Simplification of Local Government in Multnomah County, Oregon. :: :: :: :: ::

The city of Portland, Oregon, has grown up in the southwest corner of Multnomah county. Along its western border stands a barrier of low mountains that swing along the left bank of the Willamette River in a northwesterly direction and, deserting that stream where it gives itself up to the Columbia River, continues down the Columbia valley to the sea. Blocked by this physical barrier to westward growth, the city of Portland, as soon as it had occupied the narrow ribbon of land on the west bank of the Willamette, crossed the river and spread east and north in Multnomah county and south into Clackamas county almost to the gates of Oregon City. Thus it lies sprawled out over the western half of the level valley that stretches to the timbered slopes of the Cascade foothills. A subordinate stream of population, which is rapidly increasing, has found its way on the west side of the Willamette south and southwest into Clackamas and Washington counties.

SEVENTY-ODD TAXING AGENCIES

The local government of this Portland region is distributed not only between the three counties and some eight incorporated cities and towns, but among a host of school districts, water districts, a port commission, a dock commission, a library board, etc. In Multnomah county alone there are some seventy-odd agencies possessing tax-levying powers.

Interest in this political confusion within Multnomah county local government has been growing apace among Portland voters. Two years ago this culminated in the creation by the state legislature of a commission to study the problem of simplifying the local government situation in Multnomah county. This commission filed its report with the governor in December, 1926. In that document and its appendices are many interesting facts of population growth which show the rise of a homogeneous metropolitan community, centering in the city of Portland and reaching out in the directions sketched above.

Instead of attempting to work out a detailed system of political machinery, the commission has spent its very limited funds in analyzing some of the basic aspects of the Portland metropolitan situation. It has viewed its task as that of paving the way for a later detailed survey of governmental machinery upon which concrete proposals for simplification might be based. Consequently the report deals with findings of fact relating to the extent and growth tendencies of the metropolitan region, and to certain major public services—water, highways, fire protection—in which the people of the region have common interests.

A detailed analysis is made of the question of extending the boundaries of the city of Portland and of Multnomah county so as to bring within the limits of these agencies the population which because of common economic ties logically belong within the city and county. It is reported that the boundary extensions of the city of Portland ceased abruptly in 1915, the very time when the rapid suburban diffusion for which Henry Ford and his competitors were unwittingly responsible began its greatest rush. This was due, says the commission, not so much to the desire to escape city taxes as to the wish to avoid high rents and acquire homes under favorable economic conditions. In the districts outside the city limits the total absence of building regulations—structural, sanitary and electrical—greatly cheapens the cost of housing. There is also, in many localities, the fear of local assessments for sewer, sidewalk and street improvements which are great handicaps to working people bent on home ownership inside the city. Moreover, while the city boundaries have not reached out, certain key city services have. Thus, water from the Portland system is furnished to a large area beyond the city; electricity and gas are furnished by the utility companies for prices identical with those inside the city. The Portland school facilities are placed at the disposal of a large number of these trans-boundary folk because the school district in which Portland is situated has boundaries differing from those of the city,—boundaries which have been expanded to include an area of approximately 108 square miles as compared with 66 square miles within the city.

PROPOSALS TO FACILITATE ANNEXATIONS

The commission makes a group of proposals to facilitate annexation to the city of Portland and to Multnomah county. It suggests a modification of the city policy of financing trunk sewers and main traffic arteries so as to distribute the burdens more broadly. Modifications in the city building codes and the formulation of a state building code for unincorporated suburban areas are likewise proposed. To prepare the way for ultimate incorporation of certain sections of Clackamas and Washington counties with the city of Portland, the report suggests changes in the law relating to the annexation by one county of parts of another. The rural elements in these two counties are vigorously opposed to detachments which would permit the escape of the suburban fringe into Multnomah county. The report argues for changes in the voting percentages required for detachment and for the creation of a boundary commission which might frame financial terms sufficiently attractive to induce Clackamas and Washington counties to relinquish these districts.

The report further recommends the adoption of two constitutional amendments. One of these provides for county "home rule." This is considered as peculiarly necessary for Multnomah county which, despite its metropolitan character, is today governed under a county system almost identical with that of Wheeler county, which has less than 2,500 people. Moreover, the amendment is regarded as paving the way for readjustments not only in county organization but also in the closer articulation of city and county administrations in Multnomah county and for the assumption by the county of local government functions made necessary by the urbanizing process.

The second constitutional amendment would allow Portland to frame a charter under which it might consolidate its government with that of any or all the local "bodies politic" in Multnomah county. This would make it possible to merge the government of Portland, with that of Multnomah county, or with the Port of Portland, or School District No. 1, or all the school districts, or with the water districts, or with the town of Gresham, etc. Moreover, the entire mass might be melted together into one centralized or one federal government. The commission does not advocate any particular consolidation, and is careful to point out that the use of this enabling act should be preceded by a careful study of all the factors in the local situation. A majority of the voters outside the city of Portland can block any city-county consolidation plan.

Accompanying the report are detailed studies of certain key public functions, treated from the point of view of their adaptation to the whole metropolitan region. These studies embrace the water service, highways and streets (including some phases of city planning), and fire protection. They show clearly the lack of centralized political responsibility for their administration, because of the maze of agencies involved in each service. They reveal many variations in quality and quantity of service, and in the financial burdens borne by residents in the several localities.

The commission concludes with a reiteration of the preliminary character of its work, and urges the appropriation of public funds to carry the study forward to a point where "a comprehensive and detailed program of local government simplification may be formulated."

Community Church and Approach

MARIEMONT, AN AMERICAN GARDEN VILLAGE

BY BLEECKER MARQUETTE

Executive Secretary of the Better Housing League and of the Public Health Federation

A Cincinnati suburban village for people of moderate incomes which took years to plan. :: :: :: :: :: :: :: ::

"On the second day of February Bill Hepworth had to go out of town on business, and Merry went to Wooster Pike to spend the night with Helen in her attractive home in Mariemont." Thus does Mariemont, "Cincinnati's Garden Village," find its place in the fiction of the day, for this and many similar references occur in "Stepping Out," a recent novel by Beatrice Burton.

A person skillful in word pictures might write a fascinating story of how in three short years there has developed on a site nine miles from the center of Cincinnati, the beginning of this charming village of modest but beautifully planned homes, as different as one can imagine from the usual drab hodgepodge of cheap houses and mean streets typical of most American cities. Three hundred and fifty families make their homes in this unusual town conceived and developed, not for private profit but for the benefit of the several hundred families who shall ultimately make their homes there.

The founder of Mariemont is Mrs. Mary M. Emery, one of Cincinnati's most honored and respected citizens, who has devoted much of her life to the city's civic betterment. This great plan for a self-contained town, built in accordance with the best principles of the modern science of city planning, was not conceived or executed in a day or a year. For no less than fifteen years did this great citizen and her personal representative, Mr. Charles J. Livingood, study and plan and work and counsel that Mariemont might embody their ideal of the American city of the future. Every worth-while contribution to the progress of housing and town planning in America, in Europe and in fact in the world, came under Mr. Livingood's observation in his years of travel to inspect at first-hand such examples as the world has to offer in the field of community building. Mr. Livingood's fine artistic sense and his appreciation of the best in town planning and in architecture has placed its stamp on the development of Mariemont, destined to stand as a monument to the vision and generosity of Mrs. Emery and to his own executive ability. It had been for many years a dream of Mrs. Emery that Cincinnati might provide an example of how well people of moderate means can be housed in America today by availing ourselves of the possibilities of good planning, large-scale building and good housing standards. It is now given to Mrs. Emery within her own lifetime to see her ideals actually taking form in one of the finest communities of its kind in the country.

NOT A PHILANTHROPY

Do not imagine that Mariemont is a philanthropy. It is not that. It has none of the narrow paternalistic qualities that have wrecked many housing developments in the past. It is not intended for the extremely poor, nor is it strictly a workingmen's home development. It was not projected for the purpose merely of building more houses or of meeting the housing shortage. Neither is it a laboratory for testing out radical theories in housing. Rather the aim was to demonstrate how much better, more attractive and more liveable our American communities may be if we but plan intelligently, build substantially and take cognizance of the value of beauty in placing and designing a home.

One of a Group of Houses with Background of Trees and Attractive Planting

Mariemont is not a profit-making scheme. Dividends are deliberately limited to six per cent upon the money invested. Yet it is in the main a normal real estate development, except that everything about the town was planned in advance and built in the best possible way, and neither pains nor money spared in the effort to safeguard the interests of the future owner or builder. Its homes will be of various types, sizes and materials, as would be true of any sizable town. Its inhabitants will be families of a wide range of income varying from those living in the one-, two-, three-, and four-room homes in the modest Dale Park section, where they can rent flats and houses for $35 and $45 a month, to others able to afford the more costly detached single family homes whose rents range from $75 to $100 a month. Families of modest income—skilled workmen, clerks, office people—no doubt will make up a considerable proportion of the population, with a sprinkling perhaps of unskilled wage earners. In the course of events fortune will smile upon some of these families in the Dale Park district, and their economic status will improve perhaps to a point that their aspirations will be no longer satisfied with a modest four- or five-room flat. Instead of being compelled to move out of Mariemont, whose advantages they have learned to appreciate as a home community and where they and their children have established cherished friendships, they will have no difficulty in finding larger houses better fitted to their needs and their means, or indeed they may buy themselves a lot and build a home to their own liking.

Rents are not as low as it was hoped originally they might be, one reason being that construction was begun at what proved to be the peak of prices. Another was the effort to make Mariemont an outstanding example of the advantages of good planning and good building. Had the purpose been primarily low-cost homes, many things would have been done differently.

EIGHT YEARS TO ACQUIRE SITE

The location of the town is nearly ideal—not due to chance or any particular stroke of good fortune, but because the site was chosen after the most painstaking search and study. The story of how the land was gradually acquired, plot by plot, over a period of eight years without the public suspecting what was happening until the entire tract had been acquired, is of itself a fascinating story and gives some conception of the size and difficulty of this great undertaking. Mariemont is near enough to Cincinnati to be readily accessible, and enjoys all the advantages that a large city affords. There are now a direct street car line and several bus lines which carry the Mariemonters to the business center of Cincinnati in less than forty-five minutes. It is far enough away, on the one hand, to be protected from the noise, smoke, dirt and confusion of the city. As the prevailing winds in this locality are from the southwest, there are always cooling breezes wafted over the town in summer. Overlooking the little Miami River and its broad valley 100 feet below, Mariemont has the advantage of a wonderfully attractive view. The happy part of it is that this view is preserved forever to the community by Mrs. Emery's gift of a concourse and boulevard overlooking the lovely valley and the distant hills. How wise was the choice of this location is indicated by the fact that almost at the same time that Mariemont has developed there has grown up on Indian Hill nearby, one of Cincinnati's very finest residence sections.

The plan of Mariemont provides for

a complete, self-contained town with a town center and a village green like those found in the typical English towns. Around the town center will be grouped the principal buildings, the town hall, library, post office, hotel, theatre, stores—every facility to meet the demands of modern life, all within easy walking distance of the homes in the town.

RESIDENCES PROTECTED FROM INDUSTRIES

Essentially, Mariemont is a residential community, and there will be no industries in the town itself. Yet two industrial sections with rail and highway connections are provided for, one at the west end of the property and the other along the banks of the river nearly 100 feet below the town. Natural barriers protect the homes of Mariemont from both of these industrial sections.

The street plan consists of major highways radiating from the town center and secondary residential streets with service lanes or alleys in the rear of the lots.

The first community structure to be built was the church. It is constructed of native stone in Norman style—on the order of the little church in England in which William Penn and his ancestors worshipped and in the yard of which Gray wrote his famous "Elegy." Its rafters are made from huge oak beams hewn by hand. They were taken from an old mill that had stood near the site of Mariemont for more than one hundred years. The roof of the church will be of stone imported from England. It is a non-sectarian church open to every citizen. Probably nowhere in Hamilton county is there a church that excells in quaint charm this little community place of worship in Mariemont. Sites will be preserved in other sections of the town so that citizens may build denominational churches as the demand arises.

The first school building has already been constructed and is full to capacity. Planned with the same thoroughness as all the other features of Mariemont, the school is modern in every respect and well adapted to the best school practices.

The three hundred and fifty homes that already make up the town represent only a beginning of what is to be. Dale Park section, consisting mostly of attractive row houses, is the only part of the town anything like completely built up. Nor has the company the intention of trying to build all the homes. With Dale Park section nearly completed, groups of homes have been built in other sections to give an idea of the type of development desirable in those sections. The town center and perhaps a few more homes will be constructed, but for the most part the remainder of the lots will be sold to prospective home builders. Fortunately every lot in the town is practically as good as any other—no buyer will have any difficulty building upon any lot. Twenty of America's leading architects designed the attractive homes built by the Mariemont Company. All designs were developed in accord with a central plan, resulting in a harmonious development that constitutes one of the town's most attractive features. With a population of close to 1,000 people now, and with home sites to provide for 500 additional families, Mariemont will some day have not less than 4,000 or 5,000 inhabitants, and will be the center of a still larger population of at least 10,000.

ALL HOMES RENTED AT FIRST; TO BE SOLD LATER

In the beginning all homes in Mariemont are being rented. Eventually all will be sold, and Mariemont will be placed in the hands of its future citizens to control its destinies as they will. The restrictions run with the land for fifty years. The village will in the near future be incorporated under a charter form of government based upon suggestions of the New York Bureau of Municipal Research with a small council and a city manager.

Cincinnatians have watched with a keen interest the growth of Mariemont from a paper program three years ago, to a thriving community with its stores, church, library, school, inn, parks, playgrounds, athletic fields, and with a rapidly developing community life that vies already with that of the many community-conscious suburbs of Cincinnati. Cincinnatians drive through in large numbers, Sundays and holidays, studying each new development, inspecting the various types of houses, commenting on the high lights of its architectural scheme, marveling at its attractive group houses (a type of construction comparatively new to Cincinnati), dining at its inn, enjoying the magnificent view from the concourse. Almost every wide-awake citizen of Cincinnati knows about Mariemont. Generally speaking he recognizes this new town as a real asset, though he may not always have an accurate understanding of the how and why of its development. His conception of housing developments is long rows of cheap houses for families of the lowest income, and he is only slowly learning that it is practically impossible today to build new homes within the means of the very poor, and that it may be just as worth while to build a town like Mariemont as an example of what good planning and modern housing standards mean in terms of more attractive, liveable homes for middle-class American families.

He is interested to see the effect of the intelligent thought that has been given to the architectural features of Mariemont. He realizes that there is something different here from almost every other residential community he has seen either in Cincinnati or elsewhere. He knows that the purchaser of a home in Mariemont gets something he cannot buy in other residential subdivisions—the assurance that every part of his house is carefully built with the highest grade materials. He learns that every home is provided with running water, bath, electric lights, telephones, natural gas for cooking and all the essentials of good housing. He notes that every house is laid out so it will receive the maximum of sunlight and the advantages of cross or through ventilation. He observes the complete absence of overhead wires. He is informed that the street paving, the curbs and sidewalks are of the most durable type. He learns that practically all the buildings in the vicinity of the town center including the apartment houses and small dwellings are heated from a central heating station, assuring a minimum of smoke and dirt from heating plants. He sees how the ample yards, the setbacks from the street and the space between the houses prevent congestion. He finds that except for a few public buildings, stores and apartments in the town center, no building more than two stories high will be erected here. He is impressed by the fact that every facility to meet the normal needs of the community has already been provided—stores of every kind, movie theatre, community hall, branch library, building and loan association, school and church, mail delivery to homes, though the town is scarcely out of its swaddling clothes. He knows that the homes in Mariemont have been so built that they will not deteriorate or ever become an eyesore to the community, and that all future homes are guaranteed an ample share of fresh air, sunshine and open spaces by means of careful zoning, parks, and allotment gardens. He learns that all underground utilities have been so laid out that the streets will not be ruined by constantly tearing them up to make connections for gas, telephone, water, sewers—these connections having been extended to every one of the 750 house lots before any streets were laid.

PUBLIC SERVICES WELL MAINTAINED

He learns, too, that Mariemont has a maintenance organization that not only keeps the streets clean, removes the garbage and ashes, but looks after the parks, playgrounds, planted strips in order to insure their proper upkeep. He sees how all these things have helped to develop a fine community spirit—its attractiveness, its community club, its men's club, its active parent-teachers association, its Christmas parties, Fourth of July celebrations, Halloween parties, community dinners and even its weekly paper.

He cannot but be impressed by the wonderful assets that the citizens of Mariemont will acquire in the parks, playground, athletic field, concourse and boulevard which Mrs. Emery will bequeath in perpetuity to the town she has created.

It is a source of real satisfaction to have been even in a slight degree a participant in the development of this worth-while community. City planning and housing boosters in general, and the city of Cincinnati in particular, owe a great debt of gratitude to Mrs. Emery and Mr. Livingood for having undertaken the responsibility involved in carrying out this project. Few people have the slightest conception of the enormous amount of hard work and worry that has fallen to the lot of these two fine citizens, whose only reward will be the satisfaction of knowing that they have made an outstanding contribution to the cause of better housing and better town planning.

OUR AMERICAN MAYORS

VII. W. FREELAND KENDRICK OF PHILADELPHIA

BY T. HENRY WALNUT

Philadelphia

Mayor Kendrick is not a reformer, nor even a distinguished machine politician. As an inveterate "joiner" of secret societies, he owes much to his famous smile. He has kept peace with the Republican organization which elected him, but he will be best remembered for his nerve-racking experience with General Butler and the ill-fated Sesqui. ::

Mayor Kendrick of Philadelphia

In writing about the Mayor of Philadelphia, we are largely thinking of the city itself; of the two million people who make the city and who also made W. Freeland Kendrick mayor.

What sort of a man he is, why he was chosen, and what he has done are important because of that mass of humanity whose composite personality he expresses. The mayor exemplifies for a time the kind of government the people of the city want and their conception of what the city means to them.

By way of illustration and perhaps comparison as well, a dash of history will help. It is history that is only fifteen to twenty years old, but it seems quite ancient and faded. It was the period between the time that Lincoln Steffens labeled Philadelphia as "corrupt and contented," and the election of Blankenburg as mayor in 1911. The town may have been corrupt—there was a great babel of voices assuring us that it was—but it was certainly not contented. Reform was a cherished word. There was a distinct cleavage between the reformers and the gang. The reformers were well organized and persistent; they survived defeat after defeat with indomitable resolution. Men don't cling to a cause with pertinacity—an unprofitable cause—without a common belief in some principle. While the quality of the belief may have varied with the individual, there was a fixed idea that the city administration was run by those in control for the benefit of themselves and their friends only, and that jobs and contracts, street repairs and lamp-posts, liquor licenses and prosecutions went by favor.

In making the last great effort, the forces of discontent fell in behind Blankenburg as their candidate for mayor. He came by his leadership naturally. For thirty years he had been the "war horse of reform." He was a memorable man, large and broad-shouldered, with a white beard flowing over his chest; the whitest beard I ever saw. It looked like a shining banner to follow to a holy war. There was something extraordinarily inspiring in his personality. He had a significant peroration to his speeches, which he delivered in a voice of appealing sincerity—"I want to see a city healthful, a city sound and prosperous, a city beautiful, a city saved. I love this city, its streets, its homes, its people. I love it all, my city, thy city, our city." He would fling out his arms with a final gesture, then wrap them about him, as though the city were a concrete desirable thing, a person that he was embracing. The crowd perhaps did not see the vision with this clarity, but caught something of it, and certainly gained a conception of a distinctly personified city that was worthy of disinterested loyalty and self-sacrifice. It also conceived of a mayor and a city administration that would act solely for the good of the city as a whole, without regard to personal or political attachments.

PHILADELPHIA TURNS FROM REFORM

The attempt to realize the vision was more than half tragic. The "old war horse" must have died haunted by the conviction that he had failed somehow to make his fellow citizens understand.

This history is used to make clear the assertion that W. Freeland Kendrick is not tainted with reform. We have had no reform heroes since Blankenburg. Reformer, bolshevik red, have been almost interchangeable epithets in Philadelphia; they are all applied to persons who are lacking in the sense of rhythm that keeps the crowd in step.

To follow Kendrick's course to the mayoralty, it is best to start with his arrival at the age of twenty-one and his contemporaneous admission as a member of the Masonic fraternity. As we say of the successful, his rise in the order was rapid. He held several posts of distinction. Then in 1905 he was elected illustrous potentate of the Shrine.

In the newspaper of May, 1909, is a picture of an attractive young man in a tasseled cap bearing the insignia of the scimitar and crescent. The story about the picture relates to a pilgrimage of the Shrine to Louisville, Kentucky, and remarks:

> At the head of the caravan will march W. Freeland Kendrick, than whom none has done more for that ancient and Arabic order, which has its headquarters in Lulu Temple. Four years ago he was its illustrous potentate and has to his credit the unusual record of succeeding himself three times, the last two elections being unanimous. His countenance is frank and open, his smile is winsome, and when he speaks his words are sharp, clear cut, incisive and wholesome.

There was additional information to the effect that he was the unanimous choice of his fellow habitues of Lulu Temple for the office of imperial outer-guard of the Shrine of North America, which is in the line of succession to the office of imperial potentate.

Certainly he had the personality which attracts the average man. The Shrine grew in size and spirit. "Free" Kendrick became a popular figure, and Free's smile one of the city's points of interest, something you should not fail to see, like Niagara Falls or Abie's Irish Rose. I heard of it ten years before I saw it.

ELECTED TO PROFITABLE OFFICE

The Shrine isn't a political organization, but there are many politicians in it, and a perennial illustrous potentate must have some outlet for ambitions. In 1911 his name was advanced as a candidate for mayor, but the time was not ripe. His name was withdrawn, and he supported William S. Vare, who was unsuccessful, but who has since been elected United States senator. Two years later he was slated by the Republican organization as its candidate for receiver of taxes, a highly prized place.

He was scorched a little in the course of this campaign, by the *North American*, which then was one of our morning newspapers. It has since been embodied in the *Public Ledger*, and the fierce light that once streamed from it has been cloaked.

It turned its light upon Kendrick and pictured him in some sort of unholy connection with two stock-selling companies, the Monaton Realty Investment Corporation and the American Assurance Corporation, and charged that he was paid extravagantly for the use of his name among the Shriners.

The first company had already sunk with the investors' money, leaving behind it little or nothing save a few bubbles of civil litigation and criminal prosecution. The second was still in existence. It was damned by being described as "the burial ground of wrecked insurance promotions." Whether it survived the description, I don't know.

He was elected, nevertheless. The light shed by the *North American* was frequently like some sinister ray that seared its subject but gave him an unreal look. People sometimes failed to recognize the man they knew in the victim or voted for him out of sympathy for his sufferings.

For the following ten years he was reëlected annually to head the Shrine, and quadrennially as receiver of taxes. In 1919 he became imperial potentate of the Shrine of North America, and extended his acquaintanceship.

Whenever a mayor or governor was to be selected, W. Freeland Kendrick's name was certain to appear in the newspaper list of those under consideration, ordinarily coupled with the comment that Mr. Kendrick when interviewed stated he had given the matter no consideration.

TURN FOR MAYORALTY ARRIVES

In 1923, however, his turn arrived. He was taken as the candidate of the Republican organization for mayor. There was a rattle of opposition at the primary which was futile. The election was all but unanimous and the mayor-elect, with a two months pause before he was to be inaugurated, proceeded to the appointment of the directors of departments who constitute his cabinet.

In Philadelphia, since the beginning of the century, a mayor who keeps at peace with the organization has been followed by one who wars with it. City councils are always controlled by the Republican organization. A mayor at peace with councils is criticized for all the iniquities of the organization, but he gets the money to spend on public improvements. A fighting mayor receives applause for a while, but he gets no extra money from councils and ultimately is condemned for doing more fighting than building.

GENERAL SMEDLEY BUTLER ARRIVES ON SCENE

Kendrick's predecessor was a fighting mayor. There was some listless speculation as to what Kendrick would do—listless, for he was expected to go along in close harmony. The naming of his directors, however, displayed a few individual touches. There was at least one fraternal brother, and there was also Brigadier General Smedley Darlington Butler, director of public safety, whose appointment was both unique and daring. The General in addition to being a military man didn't live in the city, and to go outside for a man to hold important office shakes the city's foundations. Nevertheless, the newspapers were blithe and appreciative. The appointment was a good story and promised more.

Shortly after the appointment had been made and while the mayor was still gilded with the radiance that act had given him, he and his nominated directors were the guests at a banquet of the Order of Artisans.

The General was present and spoke in that ejaculatory way of his:

> I've talked this job of mine over with the Mayor. I tell you he's a man, through and through. We marines are one-man dogs. He is my commander. He wants me to clean up. Enforce the law—all laws; I obey orders.

The final introduction was, "His Honor the Mayor, Brother W. Freeland Kendrick of Assembly No. —."

He was a brother Artisan. He was divers kinds of a brother. Charlie Grakelow, director of welfare, is alleged to be ninety-two kinds of a brother, and his chief is probably runner-up to that record. In any event, he is intimate with all that great diversity of congregations that get together six nights of the week in all the lodge halls of the city with wardens at the outer and inner portals.

The time between the election and inauguration is the most exalted of a mayor's career. The whole town turns a smiling face toward him and wishes him good luck. He has a thousand invitations to speak. He could employ a staff of official banqueteers. His head touches the clouds; he looks beyond City Hall to the State Capitol, and an ex-imperial potentate may well look further still.

When councils organized, its president, Charlie Hall, leader of the old 7th Ward, spoke of mayor, councils and the Republican organization as a "band of brothers."

The city had spent comparatively little money on improvements during the preceding two administrations; first, because of the World War and second, because of the war between mayor and council. The future held enormous promise of the expenditure of more millions than the town had spent in its entire life. That of itself was a loadstone to keep the crowd together.

BUTLER HOLDS THE SPOTLIGHT

The mayor who can ride the Republican organization and at the same time ride the newspapers, and that vague tenuous thing called popular approval, is an acrobatic horseman. Kendrick undertook to perform the feat. At times it required rare balancing, particularly when that two-gun, two-fisted, roaring, snorting, marine, in charge of the police, climbed onto the back of animal number two, almost squeezing his commander off, and began roweling and kicking animal number one. Since we have suggested the General's part in the performance, we might as well finish his career; he was the center of the play and the orchestral accompaniment of the first two years of the administration.

To begin with, he was a man of rapid motion, and the newspapers loved him! The mayor was sworn in on January 7 and, under date of January 10, 1924, a newspaper man writing for an out-of-town paper—the outside world appears to have been interested in what Butler would do to Philadelphia—wrote:

> But even here in Philadelphia, W. Freeland Kendrick can scarcely horn into the newspapers at all, and that, despite the fact that his administration is barely three days old; everything is Butler.

This correspondent was writing a story about Kendrick as "the Man Behind Butler." To shine in the reflected glory of his subordinate is not the happiest way for a newly-elected mayor, with the exalted proportions incident to that state, to be set before the country and presented to his fellow Shriners of North America.

The General promptly began shifting the police from district to district, decapitating a few officers and demoting others. This was extremely disconcerting, and some of the little political fellows from the wards rushed to protest, and were immediately blasted as exemplifying the forces of insidious politics at work on the police system.

The big fellows were far too canny; they kept safely out of reach of the storm and whispered that the disturbance was temporary. Butler would not last. In about two months, however, Big Tom Watson, leader of the 22nd Ward, in an unguarded moment at a banquet made some remarks, and the General replied in Watson's ward the following night with a talk about political crooks and robbers, and the following day made it very plain that he referred to Big Tom himself. Now Mr. Watson was pretty big game. In addition to leading his ward, he was city treasurer, and chairman of the Republican City Committee.

"Butler Defies Watson" made a headline that was intelligible and interesting to the city. It may not sound so extraordinary to the uninitiated, but when you consider that the Republican organization controlled the city, that Watson was its official head, that it considered the mayor as one just selected by it to run the government with and by its advice and under its general direction, it was outrageous to have a subordinate of that mayor rise up and publicly smite the master.

The situation looked serious, but Charlie Hall, god-father of the "band of brothers," by skillful diplomacy smoothed the matter out and the hullabaloo quieted down.

TO FIRE OR NOT TO FIRE BUTLER?

But it broke out again early in July in an intensified way. For at that time the General picked on Charlie Hall himself. The president of council was indignant; he called upon the mayor with Congressman William S. Vare, city leader, and demanded that the director be shut up or fired. The storm was on again. It surged through the headlines for the next three months. The reporters picked up the General's fusillade, and then pestered the mayor with questions, "Will you, won't you, won't you, will you, fire Butler?" The mayor was sick of the whole business; he said so. It was a hard problem. If he fired Butler, he would be charged with yielding to a political demand. There would be a great outcry and he would lose the prestige and news value Butler gave him in the city and state beyond. If he did not, he was in a fair way to lose the organization and the money for his great building program. So he did nothing for a while, which is often the best policy in a political impasse. Unsolvable problems in time solve themselves, or perhaps may be put on the shelf and forgotten, unsolved.

It was unpleasant, however, for the newspapers announced one day that he hadn't the nerve to fire Butler, and the next that he hadn't the nerve to keep him.

Butler didn't help the situation particularly. He had a vigorous vocabulary with which he described the state of the mayor's backbone and his lower internal organs in a snappy way.

On September 24 appeared the heading:

> Mayor Asserts He's Not Afraid to Fire Butler—Declares He Had Courage to Name Him and Has "Nerve" to Oust Him.

The day before it had been announced:

> Kendrick Prepares Letter to End Butler Crisis—Delays Delivery on Learning Director is on the Verge of Pneumonia.

It was the pneumonia that solved the problem. Gossip suggested that the General cultivated it, by conducting a bad cold into a parade on a wet and rainy day.

For a week the newspapers discussed temperatures, blood pressures, congested lungs and the like and on October 2, Butler visited the mayor; afterwards both expressed themselves pleased. The crisis was passed; Butler stayed another year.

In the following July he rose again, and this time fired upon William S. Vare over the shoulder of one of the Common Pleas judges. The newspapers were greatly excited, but the mayor was non-committal. The excitement died down. As Butler's second year of absence was approaching its end, demonstrations were staged to show the President that his leave of absence should be again extended. The mayor participated, but the President was obdurate.

The General resigned from the Marine Corps—the mayor coldly remarked, "You have put me in a hole, I've made other arrangements; I don't want you, that's all," whereupon the General retorted, "So I've smoked you out at last," delivered a magnificent final attack, withdrew his resignation and departed.

ADMINISTRATION AT PEACE WITH THE MACHINE

Although the police department was the great splash of color during the first two years of the administration, the other departments were functioning as the rising cost of government made plain. The budgets grew—1924 was sixty-four million, 1925 was sixty-nine million, 1926 was seventy-six million and 1927 was eighty-three million. The earlier budgets of the administration were carefully prepared, but the last displayed the weariness which overtakes an administration toward the end of its term; it was five to seven millions in excess of the estimated income for 1927, and was submitted to councils with the information that therein was the total of the estimates of the several departments and councils should pare the estimates to fit the income.

The expenditure of borrowed money mounted perpendicularly from $20,000,000 in 1924 to $59,000,000 in 1925; the figures for 1926 and 1927 are even greater.

We built furiously. Several city departments could point proudly to their accomplishments.

Moreover, the mayor had dealings of large importance with the Pennsylvania Railroad and the local public service corporations. For many years the former has wanted to transfer its station for through traffic away from Broad Street, in the center of the city, to its 32nd Street Station on the west bank of the Schuylkill River. An agreement to that effect containing many provisions was entered into and was received by the press with approval. The lease of the city's gas works to the United Gas Improvement Company came up for consideration. Its twenty-year term expired in 1925. When the matter had previously been under discussion in 1905, it had raised an issue that turned the town upside down politically. The attitude of the present administration was carefully watched with the historic precedent in mind, but the new lease was executed without stirring a ripple of complaint. The Philadelphia Rapid Transit Company, under the management of Thomas E. Mitten, wanted a number of things from the administration. It got them.

Taken all around, there has been no administration in twenty years which to all appearances has succeeded so admirably in living at peace with the Republican organization and the big public service corporations, and at the same time in avoiding any pointed criticism or popular outcry.

At that, the job of mayor hasn't been one of peace and tranquillity. The biggest end of any mayor's job is politics. It is an everlasting struggle with men who want something out of him and men out of whom he wants something. Fifteen to twenty years of service as illustrious potentate of the Shrine is not to be discounted as a training school, but that in a sense was mock politics, the real thing is many shades fiercer.

THE SESQUI

The Sesquicentennial Exposition really wasn't the mayor's child. It had been conceived and born before he took office, and had been scandalously disowned and dishonored. Philadelphia never did take to the exposition, it had troubles enough as it was, and rather thought expositions belonged with the dodo.

One leader after another undertook to put enthusiasm and vigor into the project, grew discouraged and retired. Money was raised in quantities and poured into the affair, where it promptly disappeared. Finally the mayor himself had to become chairman of the Sesquicentennial Exposition Association. More money had to be raised. What could be secured from the sale of bonds to private individuals wasn't enough—a quantity of bonds were sold, however, which are worth today about as much as pre-war Russian bonds. So the city had to step in and add many millions. It may be said for the mayor he did put the exposition over. He stood before a disheartened committee which wanted the affair continued for a year, and swung it to his point of view. The result, however, was mostly tragedy. The Shriners of North America were invited to the opening. This might have been a glorious opportunity for the ex-imperial potentate to act the part of distinguished host, but it must have been a disconsolate occasion.

The Sesqui itself was at the time in the throes of construction. The visitors were outrageously rained upon. There were oceans of mud. The fezzes could be seen all day mingled with the crowds at Broad and Chestnut Streets. They looked a bit aimless with the air of being all dressed up and no place to go.

In the fall the sheriff was about the busiest man on the exposition grounds; his deputies were squatted all over the place. Every now and then you hear of some concern that invested its capital in a Sesqui job and, not getting its money, has gone under. There is still about $5,000,000 in current debts outstanding, payment of which is being withheld while diverse interests engage in interminable disputes. It is resonable to assert that the Sesqui itself was quite enough to mar the peace and tranquillity of any administration.

THE HOME STRETCH

The mayor is now in the fourth and final year of his administration. The "band of brothers" is still presenting a united front. Back of it is the Republican organization still intact, and back of the organization have been massed the voters of the city. That was proved at the senatorial primary last May.

There is talk of an independent movement in the coming mayoralty fight this year, but it displays no real substance or leadership and no accepted issue. The town is inert, but it is full of whispers, which assert that the power behind the mayor has consisted of Jules Mastbaum, who recently died, formerly a leading real estate man and president of the Stanley Company of America, the local—now more than local—moving picture concern; Albert M. Greenfield, leading "realtor" of the city and Thomas E. Mitten, head of the Rapid Transit Company. These men are suggested as the urgent force that compelled the Sesquicentennial Exposition. A story in general circulation and rather gleefully received concerns one of the Rapid Transit Company airplanes, that for a time plied between the Sesqui grounds and Washington, D. C. It was named W. Freeland Kendrick, and on it was discovered the phrase, "Under Mitten Management." The relation is greatly appreciated.

The whispers concern themselves much with money, and were so persistent that, not long ago, the mayor issued a statement, attacking the poison squad, and denying seriatim a number of scandalous stories. He had not received or collected money, he had no large bank deposits in his or Mrs. Kendrick's name, in this or in other cities; Mrs. Kendrick was not a silent partner in a lumber company or any other company, and she had no parking or other concessions at the Sesqui, and he was not planning to build a palace in the city suburbs at the completion of his term of office. He only picked the more salient of the whispers. There is a new one sprouting every few days. The town just can't be convinced that all the money spent has escaped side pockets. Charlie Hall, president of councils, asserts proudly that he is worth a million dollars, which doesn't run counter to the conviction.

Usually the vulnerable flank of an administration is the police department, but its conduct has not been attacked for four years. Moreover, until March 27 of this year no responsible individual association or newspaper had made a specific charge against the work of the administration. On that date the Committee of Seventy particularly specified an item of overcharge for excavation on the subway in the amount of $500,000, together with other lesser overcharges.

The end of the mayor's term, notwithstanding the appearance of solidarity in the potent political and corporate forces back of him, is full of trouble. We are not idealists in Philadelphia. That old Blankenburg reform stuff was so much frosting on the window, pretty, perhaps, but it prevented clear vision. We now understand the meaning of the city. It is a place where people gather to meet others and to be met for common profit. It is fitting that it should have selected, during the ascendency of this conception, the high priest of the "meeters" to be its chief and spokesman.

THE PROGRESS OF RAPID TRANSIT IN DETROIT

BY C. E. RIGHTOR

Detroit Bureau of Governmental Research

Detroit is now deciding whether to spend millions for subways. The master highway plan proposed by the Rapid Transit Commission is being carried out, but no plan for subway or elevated systems has proved acceptable. :: :: :: :: :: :: :: ::

SINCE 1913 the city of Detroit has been considering the possibility of supplementing an inadequate street railway system with some form of rapid transit.

In that year a board of street railway commissioners was authorized and appointed, to study the problem. In 1915, this commission issued a comprehensive report on the transportation system of Detroit, which was prepared by Barclay Parsons & Clapp. At that time the population of Detroit was about 650,000 and its area 42 square miles. (Today, the population is estimated at 1,400,000, and the area is 139 square miles.) The report contained many critical suggestions with respect to the operation of the street railway system, but the principal recommendation with respect to rapid transit was for a double-track subway system extending from the heart of the city to about six miles out Woodward Avenue.

The war prevented any serious consideration of this plan, and in 1918 a supplementary report was made by the same engineering firm, recommending a large extension of the rapid transit idea, notably by the use of elevated structures on the principal radial streets, with short sections of subways in the central portions of the city.

The commission believed that these proposals could be made self-supporting if the city would advance the funds for the initial construction, the entire property to be unified with the street railway system, and operated under private ownership. Mayor Couzens differed with the members of his commission on the subject of private ownership and operation of the unified street railway system. As a result the commission resigned, and no further progress was made.

In December, 1922, the mayor appointed a rapid transit commission of five members, which commission was officially recognized by a charter amendment adopted in November, 1923. In the meantime (April, 1921), the city had acquired ownership of the Detroit United Railways, so the question of public ownership of the lines was not of importance. The new commission consisted of Messrs. Sidney D. Waldon, Willard Pope, Clarence W. Hubbell, Andrew H. Green Jr., and Herbert W. Alden, and the personnel has remained unchanged. The original letter of instructions to the commission was as follows:

> Study Detroit's history and present situation and estimate its probable future growth.
>
> Lay out a comprehensive plan of rapid transit routes to serve the whole metropolitan area to the 15-mile circle.
>
> Select from this comprehensive plan those sections of lines necessary to meet Detroit's present needs.
>
> Estimate the cost of such initial rapid transit system and prepare a financial plan that will carry the project through.

Prepare the necessary enabling legislation and charter amendments to make possible such rapid transit financing and construction, and obtain its passage by the legislature and approval by the voters.

Submit to the voters a plan of routes as recommended for the initial system.

When routes have been approved by the people, begin construction.

During the four years that have intervened since the appointment of the commission, it has faithfully carried out its instructions. Rapid transit lines have been laid out for the principal radial and crosstown streets of the city, the entire plan comprising 46.6 miles of subways and elevated lines, estimated to cost $279,600,000. Necessary legislation was secured to permit the construction of this system, and for a plan of financing it. Further, plans were laid for the widening of several miles of arterial streets within the city limits to relieve vehicular traffic, and for the construction of 217 miles of super-highways, 204 feet wide, and other principal highways, in the outlying sections.

THE MASTER PLAN FOR HIGHWAYS

The plan of the rapid transit commission relative to highways, curiously enough, is the one that is being carried out. The "Master Plan" of highways for the city has been approved by the common council, and an annual tax of $1 per $1,000 has been approved by the voters for meeting the city's share of the cost, which is about one-third, the remaining two-thirds being met by assessments against benefited property owners. The entire cost of this interior system of highways is estimated to be approximately $100,000,000. In addition, many miles of super-highways and principal highways have already been widened, and in some instances paved, through the action of inter-county highway commissions (Wayne-Oakland counties, and Wayne-Macomb counties) whose creation was especially authorized by law. Other highways are in process of acquisition and improvement. These super-highways, owing to their width, provide for ample vehicular traffic and for four lines of rapid transit system without underground facilities in case such improvements are desirable. Elevated cross-overs are also provided where necessary. This improvement has met with wide favor throughout the community, as well as nationally, and Detroit with its environs presents an example, through the wisdom of its rapid transit commission, of a city looking ahead to the time when narrow country highways will be legendary.

FINANCING NEW SUBWAYS

In the matter of a rapid transit system by tunnelways, the commission has not met with equal success, principally because of the financial obligations involved. The commission, realizing that the city was near its bonded debt limit, or at least the limit under which bonds could be sold in the New York market, was compelled to find other means of financing the system. Further, it was instructed to avoid increasing taxes and to keep fares at a minimum. It is doubtless an ingenious, and to the minds of some, an ingenuous, idea that a subway system is designed to relieve surface traffic, and therefore may be considered as a second underground street. On this analogy, it was deemed both legal and just that a considerable portion of the cost of the transit system should be assessed to the benefited property owner. Therefore, the plan of financing the entire cost of the permanent way and equipment of the highways, as recommended by the rapid transit commission to the common council, provided that 51 per cent should be assessed against the benefited property owner; seventeen per cent be paid by the city at large, through annual tax levies over a period of years, or by bond issues; and 32 per cent be financed by mortgage and trust equipment bonds, the interest and sinking fund charges of which were to be paid by the car riders.

Data were gathered from New York, Chicago and Philadelphia indicating the rise in property values that followed the opening of rapid transit systems, and on this basis it was estimated that increased values would follow in Detroit. It was also estimated that an average annual benefit assessment ranging downward from five cents per square foot to one-half cent per square foot, on land values affected, depending upon the distance from each station, and over an area extending one-half mile on either side of the line, would be sufficient to meet the total proximity assessment on locally benefited property of 51 per cent of the cost, which was to be assessed against the property owners. Such assessment, by state law, must be prorated over a period of ten years. The financial plan was reported fully in the press, and on order of the council was published daily for the month preceding its original submission to the voters on September 4, 1924, including the recommended plan of distribution of the cost. This plan never received much discussion on the part of the taxpayers, and the general plan—without provision as to the percentages here stated—was approved by a vote of 72.7 per cent. A subsequent charter amendment (providing principally that direct taxes may be levied for such purpose up to one-sixth of one per cent of the assessed valuation in each year, or in lieu thereof may be raised by bonds; no more than 60 per cent of the total estimated cost of the system to be by direct taxation and bonds on the faith and credit of the city together; and special assessments shall be prorated over a period of not less than ten years), was approved on November 3, 1925, by a vote of 73.2 per cent.

SERIOUS QUESTIONS ARISE

The rapid transit commission went before the council in August, 1926, and requested that the complete system of 46.6 miles of elevated and subway construction be placed upon the ballot at the November election. This the council declined to do, believing that the period of time was too brief for the public to study the proposition adequately.

Subsequent to public meetings and discussions, the rapid transit commission concluded that it should modify the plan originally submitted, and on February 8 presented an alternate plan to the council, calling for 21.7 miles of double-track subways, limited to the Woodward-Fort and Grand River-Gratiot lines. This proposal was to cost $135,000,000.

With an actual plan of routes before them, the public commenced to take an active interest in the proposition. Very few would dispute the proposition that Detroit needed some form of traffic relief, and some form of rapid transit. It was found, however, that the plans of the rapid transit commission were not uniformly acceptable, and many questions were raised.

For example, it was questioned whether the project did not involve the further extension of municipal ownership; whether the plan was not too costly; whether the large expenditure would not jeopardize the industrial and economic well-being of the community; whether the proposed expenditure, was only an initial investment, ultimately to cost several times the amount; whether, while the city's bonded indebtedness was not increased, the entire cost would not still be borne by the wealth and income of the community; whether the lines proposed were the most necessary; whether the financial plan of special assessments was workable; whether the investment of the city in a street railway was not jeopardized; whether a less expensive rapid transit system might not be devised; whether the proposed transit plan should not be approved by a board of transportation experts before such a large expenditure was undertaken; whether the system could operate on the advertised ten-cent fare; whether there was ample evidence that rapid transit would so increase values along the routes that the assessment of 51 per cent of the cost would be justified; whether the plan should not be so organized as to assess benefits falling outside the city of Detroit, etc. These and countless other questions and their answers were engaging the attention of the advocates and proponents of the proposed plan of routes.

ATTITUDE OF MAYOR'S FINANCE COMMITTEE

Early in December the mayor had reconvened his Committee on Finances, which, in May, 1925, had reported adversely on the inclusion of an expenditure of approximately $200,000,000 for rapid transit other than widening of streets for future use, in connection with its program of public improvements for the next ten years. This committee was now augmented in membership, to comprise nine prominent citizens, and was requested to revise and bring up to date its improvement program for the city for the remaining eight years.

The committee submitted its revised report to the mayor on February 25, and again recommended that the undertaking of a rapid transit system be not entered into at this time. Quoting the committee's report:

> Your Committee believes that it has been shown that the taxpayers and citizens of Detroit are not in an economic position at this time which would justify the investment of a minimum of at least $125,000,000 for 22 miles of subways and their equipment. Even were economic conditions more favorable, ordinary business prudence would dictate that such a vast expenditure should be authorized only after a more scientific and coördinated study has been made and a greater certainty reached as to the best remedy for traffic conditions.

Incidentally, that committee had presented to it, improvement projects for the next eight years totaling $736,000,000, not including part development and contingencies, and concluded that, to assure the well-being of all classes of taxpayers, only $391,000,000 could reasonably be financed.

PROPOSAL TAKEN OFF THE BALLOT

Under these conditions, and with only a few weeks before April 4, when the plan of routes was to go to the people, the mayor recommended to the rapid transit commission that it voluntarily withdraw the proposal from the ballot. The light vote at the March primary, and the temporary employment situation, were cited by him. The commission agreed to this suggestion, and the common council ordered the question off the April ballot.

A vote cannot be taken until November, 1927, when there is an election of mayor and councilmen, and it is questioned whether these officials will be content to have their political future complicated by the discussion of so important a question. Therefore the whole situation is in status quo. The public realizes that something must be done about the rapid transit situation. At the same time, it wishes to protect its investment in a street railway system, and wishes to secure the most efficient and economical transit relief possible.

THE CASE METHOD OF INSTRUCTION IN MUNICIPAL GOVERNMENT

BY WILLIAM B. MUNRO
Harvard University

The case method applied to college courses in municipal government with some hints as to how to proceed. :: :: :: :: ::

THE usual method of instructing undergraduates in the subject of municipal government is by lectures, text-books, and books of selected readings supplemented in large classes by quiz-sections where the assigned reading is discussed and tested. This plan has certain advantages. It is the simplest and most economical method of presenting the basic facts and the fundamental principles to large classes. It also makes possible the covering of a large amount of material in the minimum of time. But if used exclusively this plan of instruction is subject to grave limitations, especially where advanced students are concerned. For obviously it is not the most effective method of stimulating independent thought or the critical analysis of material, or for inculcating the lesson of thoroughness.

Some cynic has averred that the lecture method is one in which words pass from the lips of the instructor to the notebook of the student without going through the heads of either. In lectures the student's thinking is done largely for him by the lecturer or by the text-book writer who presents the material in predigested form. There are exceptional lecturers, of course, but they are as rare as spendthrifts in Scotland. And although the quiz-sections give some opportunity for individual initiative the discussion usually degenerates into a mere restatement of the facts which the student has gathered from the assigned reading, a process which is absolutely essential if the student is to have a working knowledge of the subject, but which ought never be tolerated to the exclusion of all other methods.

TIE-UP WITH ACTUAL GOVERNMENT NEEDED

Under the lecture-text-book system, moreover, it is hard to link the subject with actual government. Clearly it is not the purpose of a college course to teach the art of governing as a practical art, nevertheless sound training for citizenship does require that some attention be given not only to the history, underlying principles and facts of government but also to the application of these principles to concrete problems—such problems as any alert-minded citizen may have to face from day to day. What is needed, therefore, is a method of supplementing the lectures, text-books and other readings—some method which will give the student a more thorough grasp of the subject in its manifold aspects, which will develop his power of analysis, show him the application of principles to concrete situations, and help him to make the subject his own.

Several ways of achieving this result have been tried. One involves the assignment of special reports. Another includes the study and analysis of such source material as city charters, ordinances, annual reports and the like, together with some judicial decisions bearing on municipal affairs. Both the writing of special reports and the study of source material are of undoubted value; but even so they do not ensure an attainment of the end in view. And in any event only a few written reports can be required during the course of the college year, while relatively few colleges have a sufficient amount and variety of source materials to provide for large classes. This latter difficulty is being solved, to some extent, by the appearance of such source books as Reed and Webbink's *Documents Illustrative of American Municipal Government* and Wright's *Readings in Municipal Problems.*

CASE METHOD INTRODUCED

At Harvard we have been trying a somewhat novel and promising method in the course on municipal government, especially in that part of it which deals with municipal administration.[1] The lectures and readings are made incidental to the study of problems or cases collected from various cities and presenting situations which have actually occurred. Several years ago we began to gather actual problems from Boston and Cambridge, and later from cities in other parts of the country such as Cleveland, Detroit, Buffalo, Philadelphia, St. Louis and Toledo. A few of the cases were secured from printed documents such as Dr. Upson's report on *The Government of Cincinnati and Hamilton County,* or the publications of the Detroit Bureau of Governmental Research, but the bulk of them were obtained first-hand from public officials, bureaus of municipal research, and civic organizations. Altogether about 150 definite problems have been collected.

Each of these cases involves a situation which has actually arisen in some city. Each raises for discussion some fundamental principle of municipal government. Each involves an issue which permits argument on both sides. Problems have been chosen, not for their importance alone; but for their suitability to serve as themes of live classroom discussion. The facts are presented in sufficient detail and objectively; the student is expected to reach his own conclusion from these facts by applying the principles and ideas which have been developed in the lectures, in the text-books, and in the other material that has been assigned to him for reading. He is asked for his opinions, and for a defense of his opinions. In a word, the case method of instruction commonly used in law schools is here applied to undergraduate instruction in municipal government.

SOME EXAMPLES

Now it may be asked: Can problems sufficiently simple for the comprehension of the average undergraduate be obtained in this way? With patience and industry it can be done. Let me give one or two illustrations which will indicate the sort of problem that is being used.

(1) Buffalo, the largest city in the United States operating under the commission plan, has become somewhat dissatisfied with the results obtained. Several proposals for improvement have been made. Two of the most important changes suggested are that the commissioners be elected to head specific departments instead of being assigned by vote of the council after election and that the mayor be given a veto over the acts of the com-

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[1] This suggestion first came from Dean Wallace B. Donham of the Harvard Graduate School of Business Administration, who declared that he saw no good reason why problems of government might not be presented to a class in the same way as problems of business.

mission. After setting before him the essential facts and giving him the opinions of local authorities on both sides, the student is asked whether the election of commissioners designated to head specific departments would be at all likely to improve the government of Buffalo and whether the commissioner chosen as mayor should be given the veto power? This, of course, raises for discussion the whole theory of the commission plan, its eschewing of checks and balances, its merits and its weak features. It leads the student right into the vitals of the whole question.

(2) As a result of the rapid growth of Detroit there has sprung up in Wayne County, Michigan, a metropolitan area consisting of Detroit, with a population of almost a million, and four other cities with populations varying from 10,000 to 50,000. In addition there are, in the county as a whole, 17 villages, 20 townships, and 116 school districts. The result has been an overlapping and duplication of functions. In such fields as city planning, water supply, sewage disposal, and so forth, this has become a serious matter. It is easy to say that there should be some sort of consolidation, but what form should a consolidation take? The Detroit Bureau of Governmental Research recommends the creation of a large metropolitan district to care for common needs. After presenting fully all the essential data and explaining methods in other metropolitan areas, the student is asked: Should the city of Detroit petition the legislature for the creation of a metropolitan district as recommended by the Bureau, or should some other plan be followed—for example, as in New York, Los Angeles, London or Berlin? If the district plan is favored, should one large district have charge of all needs common to the region as a whole, or should there be a separate district for each major function (as in Boston) that is, one for water supply, one for parks, etc.? Here is a problem which raises the whole issue of *federalism versus annexation* in metropolitan areas.

(3) Other cases involve such problems as the following: Was the recent decision of the mayor and council of Cambridge to purchase $125,000 worth of departmental equipment from the proceeds of a bond issue a defensible one? Should Philadelphia adopt permanent registration of voters in place of annual registration? Under what conditions should busses be allowed to compete with electric railways in St. Louis? Should school finances in Providence be under control of the city council, or should the school committee be given full control of its own budget? Should the municipally-owned markets of Cleveland be made self-supporting or subsidized by the city?

METHOD OF PROCEDURE

At the outset a number of these problems were mimeographed or printed in leaflet form and distributed to the members of the class. A little later about 100 of the cases were printed in book form under the editorship of Professor A. C. Hanford.[1] The plan now in use is to assign each week three or four problems to be studied and discussed in connection with collateral reading in such texts as Anderson's *American City Government,* Reed's *Municipal Government in the United States,* or Munro's *Municipal Government and Administration.* Students are asked to study the cases after having done this reading. Some of the more general problems are discussed in the regular lecture hours, either in lieu of the regular lecture or to illustrate points which the lecturer desires to emphasize. Other problems of a more specific character are discussed in the smaller quiz-sections into which the class is divided. During each half year, two or three of the longer and rather technical problems, which do not lend themselves easily to classroom discussion, are assigned for more detailed analysis and for written reports.[1]

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[1] *Problems in Municipal Government* (Chicago. The A. W. Shaw Co., 1926. Pp. 457.)

Although various experiments with the problem method have been made in the municipal government courses for nearly a decade, the more definite and extensive use described above has been in vogue for two years only. The results have been fairly satisfactory. The cases have proved most serviceable in helping students to grasp the application of principles to concrete situations. Their greatest value has been in affording a good starting point for classroom discussion, by raising a definite issue upon which differences of student-opinion are sure to be made manifest. It is my conviction that the case system of instruction gives an impetus to discussion in a way no other method can. To the extent that it does this it is a highly valuable method.

In editing this book of *Problems* it seems to me that Dr. Hanford has performed a real service to the advancement of teaching. He has done pioneering work that may, and probably will, lead a long way. To gather these 100 cases was no small job. It involved actual visits to many cities, conferences with all manner of officials, and much winnowing of chaff from wheat. The publishers ought also to have some commendation for their share in promoting the enterprise. They have had both vision to see its implications and courage to carry it through.

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[1] As an alternative to this we have sometimes assigned the longer cases to small groups of students for special study with the understanding that they would be responsible for the details and should take the lead in the classroom discussion. The other members of the class are merely asked to read the problem through in a general way.

MEASURING EMPLOYMENT IN A MUNICIPALITY

BY MARY VAN KLEECK

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Unemployment largely relates to cities. How they can help in the national struggle to reduce it. :: :: :: :: :: ::

A PLAN for measuring trends of employment in industry throughout the United States, which has been worked out by a committee of the American Statistical Association and published in a book recently issued by the Russell Sage Foundation, entitled "Employment Statistics for the United States," suggests the need for developing municipal measurements of employment and unemployment. A municipal index of employment is a necessary starting point for intelligent planning directed toward the stabilization of business in a community. The purpose of this article is to outline the proposed plan, which is now in operation in a number of states and in important industries, to describe its possible value in the stabilization of business, to indicate the present extent of data on employment available for cities and to suggest ways in which a municipality may develop its own indices while fitting into the larger scheme. Only by comparing its own trends with the condition of business in the state and in the country as a whole, can a city fully understand its own problem. Hence the importance of the large scheme.

CITIES MOST DIRECTLY AFFECTED BY UNEMPLOYMENT

The city has always had a relation to unemployment. An abnormal increase in the unemployed has in the past suggested the need of enlarged machinery for relief. As social workers have looked deeply, however, they have realized that relief of the unemployed is at best a temporary expedient and frequently aggravates the condition by attracting the idle to the city. In 1893, in 1907–1908, in 1914 and in 1921, cities were called upon to bear the burden of providing lodging, food and clothing, either through official agencies or by united efforts of the voluntary social organizations. Through these crises gradually a clearer idea has emerged as to the causes of industrial depressions and the possibility of lessening the wide fluctuations. How far the city can go in supplementing the efforts of business leaders is an exceedingly interesting question, which can be answered only by experiment and by analysis of facts. The fact that cities within the same state vary greatly in the extent of unemployment seems to indicate that the city itself may be viewed as a unit and may study and perhaps control the degree of prosperity which characterizes the particular combination of industries within the community.

The new approach to the problems of unemployment, which viewed the enforced idleness of wage earners as an effect of instability in business and suggested a program of stabilization and elimination of waste as the way out, received its present impetus from the work of the Committee on the Business Cycle, under the chairmanship of Owen D. Young, which was appointed by Mr. Hoover to carry forward the work of the President's Conference on Unemployment in 1921. That conference had two phases. The first was to deal with the emergency problem of relief presented by the abnormal extent of unemployment. To deal with the problem of relief, the conference called upon the municipalities and urged each mayor to appoint a committee on unemployment to coördinate the efforts of the relief agencies, to develop municipal lodging houses and also to count the unemployed. To thoughtful leaders in local communities, the very necessity for this call to cities to undertake the burden of relief must have suggested the hopelessness of action in such an emergency. Yet for the most part, the cities were unprepared to take any action except an improvised program for an emergency.

CURRENT INFORMATION NOW INADEQUATE

The second phase of the President's Conference on Unemployment was an effort to analyze the causes of widespread depression and to suggest the ways and means of avoiding its recurrence. In a foreword to the report of the committee, published under the title, "Business Cycles and Unemployment," by the Department of Commerce in 1923, Mr. Hoover wrote:

> The general conclusion of the committee is that as the slumps (in business) are in the main due to the waste, extravagance, speculation, in-

flation, overexpansion and inefficiency in production developed during the booms, the strategic point of attack therefore is the reduction of these evils, mainly through the provision for such current economic information as will show the signs of danger and its more general understanding and use by producers, distributors and banks, inducing more constructive and safer policies.

The "current economic information" required included, according to the Committee on Business Cycles, periodic statistics of employment. At that time the Federal bureau of labor statistics was publishing monthly the data for approximately half a million wage earners in some thirteen manufacturing industries, based on the answers given by employers to the following two main questions: (1) total number on the pay roll in the pay roll period including the 15th of the month; (2) total wages paid in that pay roll period. This series had dated from 1915, growing out of the need for information in the unemployment crisis at that time. New York state had been collecting the same information from manufacturing industries since 1915, extending its series back to 1914, and Wisconsin since 1922, but no other state had current information. In both these states coöperation had been arranged between the federal and state bureaus, whereby the state bureau collected the data and turned over to the federal bureau as much information for each industry as was needed for the national index, thus avoiding annoyance to employers through duplication of reports and at the same time providing the state with the information needed for a picture of its own conditions.

Obviously, this information was so limited as to be valuable chiefly as a suggestion for possible methods of collection of the information rather than as an adequate basis for business policies. To standardize the information needed and the methods of its collection, to increase the number of states coöperating and to extend the information to other branches of business besides manufacturing, was recommended by the Committee on Unemployment and Business Cycles.

To assist in carrying out this recommendation the American Statistical Association appointed a Committee on Governmental Labor Statistics, composed of statisticians in state and federal bureaus charged with the duty of collecting this information and experienced in all the difficulties and practical problems; together with users of statistics in business establishments and in universities, who knew from experience what kind of information was needed for the development of sounder policies in business and for research which should increase understanding of the causes of fluctuations. It is this committee which has just made its report after three years of work based always on practical experience both in governmental bureaus and in business. During the period of its work, five states besides New York and Wisconsin have entered into the plan of coöperation with the Federal bureau of labor statistics, namely, Illinois, Maryland, Massachusetts, California and New Jersey. In addition, Iowa, Pennsylvania and Oklahoma collect employment statistics, but are not yet included in the national plan. The Federal bureau of labor statistics has so far increased the extent of its reports for manufacturing that its last published report, for December, 1926, gave returns from more than 10,000 establishments in 54 separate manufacturing industries employing nearly 3,000,000 wage earners. The Federal bureau also publishes a summary of the data for employment and earnings on the railroads, collected by the Interstate

Commerce Commission. The department of agriculture is experimenting with the measurement of employment on farms, with a view to including agriculture in the national index.

One of the most important of the recent developments has been the publication of reports for cities and smaller industrial communities. The city reports are now issued by the bureaus of labor statistics in Illinois, Massachusetts, New Jersey, New York and Pennsylvania.

For instance, in Illinois a report released for publication on March 18 covered the pay roll period including the 15th of February and gave the following summary of facts for cities:

> Increasing employment was not a general thing throughout the state, however, and six of the fourteen cities for which special reports are compiled showed declines. These were Aurora, Cicero, Moline, Peoria, Quincy and Springfield. At East St. Louis and Rock Island no change in factory employment was reported, while Chicago, Bloomington, Danville, Decatur, Joliet and Rockford reported advances.

Obviously, the facts for the state as a whole may not picture the situation in one of the cities, and the cities will differ one from another according to their industrial composition. On the other hand, no city can fully understand its own problem unless it knows for the country as a whole and for its own state the trends in the industries which are represented in it.

The plan for the country as a whole contemplates the extension of the minimum amount of information indicated in the two main questions, total number on the pay roll and total wages paid in the pay roll period including the 15th of the month, first, to the more important of the 40 states not now included in the national plan; and, second, to the following branches of business: (1) manufacturing in its main industrial divisions; (2) mining and quarrying; (3) communication; (4) building construction; (5) wholesale trade; (6) retail trade; (7) logging and lumber work; (8) agriculture. At present every one of these industries is included in the data collected by some one state, but only for manufacturing and for the railroads as a part of the group entitled "communication" does the national information approach adequacy.

CITIES MUST HELP IN COLLECTING CURRENT DATA

The third great need is for municipalities to take their place in the scheme and either to give such support to the state bureau as will enable it to collect the necessary information for the municipality or to undertake in the community itself to collect the data, turning over to the state the material needed, by a similar plan of coöperation as that now in force between the state and the federal bureaus. If the municipality undertakes the task of initial collection, it will be able to secure for its own community a much more rounded picture than if the state, concerned primarily with conditions in the state as a whole, undertakes to publish merely such portion of its information as relates to a given city.

In this report on Employment Statistics for the United States some attention is given to the needs of cities. This is based largely upon an earlier report published by the Russell Sage Foundation, entitled "The Burden of Unemployment," a study of unemployment relief measures in fifteen American cities, 1921–1922, by Philip Klein. In this study considerable attention was given to possible sources of information regarding unemployment and its relation to the city's program for dealing with it. It is interesting to note, however, that the main conclusion regarding statistics reached by Mr. Klein goes beyond the problem of relief and asks for essentially the same information which the Committee on Unemployment and Business Cycles recommended for preventing fluctuations. Mr. Klein stated, after careful analysis of available statistics in the cities included in his study, that "any direct count of the number of unemployed persons has proved entirely impracticable. . . . The important thing to know . . . is not the exact number unemployed at any time, but rather the chances of employment. . . . Any machinery for obtaining relevant and valuable data should, therefore, be directed toward the scrutiny of fluctuations in the extent of employment and the derivation of available indices of distress among the working population."

Among the available indices which he includes, besides the statistics of employment collected by the state and federal governments, are the "case load" of social agencies; trends in the cost of boarding children, compared with the trends in the proportion paid by parents; expenditures for relief; average daily attendance in high school and in elementary school; work certificates issued; and general business statistics, including "Situations Wanted," "Help Wanted" and "For Rent" advertisements; demands for loans and applications and placements in public employment offices. It should be said in passing that the whole question of a possible index of dependency in the community is being dealt with by another committee of the American Statistical Association, under the chairmanship of Ralph G. Hurlin, who, with William E. Berridge, edited the report on employment statistics as members of the Committee on Governmental Labor Statistics.

HOW CITIES CAN GUARD AGAINST UNEMPLOYMENT

Given an adequate index of the trend of employment in the different industries of a state, and a corresponding measure of trends within a community, it is clear that suggestions for action in the municipality would speedily emerge. The first suggestion would have to do with the industrial composition of the community and the possibility of attracting to the town or city industries in which the seasonal fluctuations complement one another, rather than coincide, as a step in economic town planning which would undoubtedly affect directly the security in the standard of living of the people in the town. The one-industry town is obviously affected at once by fluctuations in that industry.

The second suggestion would have to do not only with industrial composition but with possible experiments in reduction of fluctuations by the leaders of business in the community. The possibility of experiment has been demonstrated by a larger and larger number of individual plants. We think of an industry as national in its operation, when, as a matter of fact, its leaders live in cities and have their offices in cities. It is undoubtedly in cities, therefore, that business leaders may confer together and thus enlarge their individual judgment not only about their own business but about the relation of different types of business to each other, production, distribution and the financial machinery. The city which has comprehensive current information about its own industries is a microcosm for fruitful experiment and enlightenment which would tend not only to greater prosperity for the community but to elimination of waste and stabilization which would have their influence as far as the same economic activities extend.

A third possibility of action in the stabilization of business in the community is through the policies established by the municipal government regarded as a business. The planning of public works is a familiar suggestion deserving, however, of much more searching study and experiment than have yet been given to it in municipalities.

Finally, it may be said that the measurement of trends in employment, in that it shows whether unemployment is increasing or decreasing and whether there are changes in the income of wage earners, provides also a guide for the community as a whole, both in its governmental activities and through its voluntary agencies to develop a wise social program.

Thus with the changing thought regarding the problem of unemployment, the possible function of the city is shifted from the burden of relief to the more inspiring task of constructive planning for stabilization. The first step in the stabilization of business in a community is to develop adequate measurements of trends in business activity, including statistics of employment which are in themselves excellent common measures of business activity while offering also a measure of the vital social fact of the wage earners' opportunity for employment.

ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

II. STATE EXPENDITURES—HAS THEIR UPWARD CLIMB BEEN JUSTIFIED?

BY CLARENCE HEER

National Institute of Public Administration

The eternal struggle between Mr. Citizen as taxpayer and Mr. Citizen as consumer of government services is well illustrated in this article. One-half of the money increase in the cost of state government from 1915 to 1925 was due to the rising price level. But over 70 per cent of the actual increase must be charged to expansion in public education and highways; that is, to expenditures demanded by the same people who pay the taxes. :: :: :: :: :: :: :: ::

THE total spendings of the country's various agencies of government, federal, state and local, are, at the present writing, upwards of 10 billion dollars per annum. Of this huge sum, state governments spend approximately 15 per cent. The arresting feature as regards contemporary state expenditure, however, is not its absolute amount but the unparalleled rapidity with which it has expanded within the last decade.

Between 1915 and 1925, the aggregate governmental cost payments of the forty-eight states of the union increased at an average rate of 12½ per cent per annum. The comparable rate of growth in the expenditures of the country's 146 largest cities was less than 10 per cent per annum. State government was 3¼ times as costly in 1925 as it was in 1915. Most of this increase occurred after and not before the close of the World War, during an era of generally falling prices, when economy and efficiency were the watchwords in private business and when the "back-to-normalcy" movement was in full swing. Between 1919 and 1922 state expenditures exactly doubled. During this same three year period, wholesale commodity prices registered a decline of 21 per cent, the cost of living dropped 11 per cent and the ordinary expenditures of the national government were reduced by more than 80 per cent.

On the basis of purely circumstantial evidence, it would not be difficult to draw up plausible charges of waste and extravagance against the various state administrations. Such charges are in fact frequently made and find support in authoritative places. Circumstantial evidence is easy to obtain but it is notoriously unreliable and deceptive. Direct evidence regarding the reasons for the abnormal growth of state expenditures during recent years is obtainable in the form of official records and reports. Such evidence, however, must be hunted down, analyzed and interpreted. These processes involve a certain amount of irksome effort which may possibly account for the general disfavor in which they are held by our numerous popular interpreters of governmental problems. The present article is not intended as an exhaustive review of all the extant documentary material bearing on the causes of the current high cost of state government. It is proposed, however, to make some use of the more readily available statistical sources and to suggest the possibility of certain other explanations for the recent increase of state expenditure besides the much reiterated one of waste and extravagance.

RÔLE OF PRICE INFLATION

According to the reports of the bureau of the census, the aggregate governmental cost payments of the several states increased from 495 million dollars in 1915 to 1,615 million dollars in 1925, an increase of 226 per cent. This increase can have little meaning until due allowance has been made for changes in the purchasing power of the dollar. The years which witnessed the late rise in governmental costs were characterized by a violent fluctuation of prices. Public expenditures were not exempt from the effects of this disturbance. It is not proper to assume, however, that the prices paid by governments for the commodities and services required in the performance of their functions followed the same course as any of the general purpose index numbers commonly used to measure changes in purchasing power. As is well known, monetary inflation affected individual prices in a very unequal manner. Moreover, governmental disbursements are for highly specialized purposes, salaries and wages representing their most important single element.

Various special purpose index numbers have been constructed to measure the effects of monetary inflation on particular groups of prices. Thus we have index numbers of wholesale commodity prices, index numbers of the cost of living, and index numbers of wage rates for various classes of workers. As yet there are no current indices covering the cost of commodities and personal services required in carrying out the functions of government. The writer recently attempted to construct such a series of index numbers on the basis of price and salary data applicable to the expenditures of the state of New York during the years from 1915 to 1923 inclusive. The final indices reflected not only the direct effects of inflation on expenditures for commodities and personal services but also the indirect effects of inflation on such

INCREASE IN GOVERNMENTAL COST PAYMENTS 1925 OVER 1915

Analysis by Character

(000 omitted)

Character	Cost Payments		Increase 1925 over 1915		Per Cent of Total Increase
	1915	1925	Amount	Per Cent	
Operation and maintenance.	$381,168	$1,043,876	$662,708	174	59.2
Capital outlays...........	95,193	503,024	407,831	428	36.4
Interest and amortization...	18,546	67,662	49,116	265	4.4
Total...............	$494,907	$1,614,562	$1,119,655	226	100.0

items of expenditure as interest and amortization charges and state subventions to local political units. The results indicated that the state's "cost of living" had increased by some 54 per cent between 1915 and 1923. In other words, considering all of the various claims made upon it, the state's dollar in 1923 secured no more than could have been obtained for 65 cents in 1915.[1]

There was very little change in price and wage levels between 1923 and 1925. If New York state's experience was in any sense typical, therefore, and there is no reason for believing that it was not, it follows that much of the increase in the total governmental cost payments of states between 1915 and 1925 was nominal and not real. It is conservative to assume that the dollar expended by the state governments in 1925 had a purchasing power of only 65 cents in terms of 1915 values. On this basis fully half of the 1,120 million dollar increase in state expenditure which occurred during the last decade was due to price inflation. Reduced to dollars of 1915 purchasing power, the aggregate governmental cost payments of the forty-eight states for 1925 amounted to only 1,049 million dollars as contrasted with 1,615 million dollars in terms of current values. The real increase in state expenditure between 1915 and 1925 was, therefore, only 112 per cent as compared with the nominal increase of 226 per cent.

ANALYSIS OF INCREASE

An increase of 112 per cent within the space of ten years cannot be regarded with equanimity. What were the causes for this expansion? Considerable light on this question is furnished by the *Financial Statistics of States* published annually by the bureau of the census. The following table, based on census data, analyzes the increase in state costs between 1915 and 1925 according to character of expenditure. The figures used represent current values and have not been adjusted for inflation.

It will be seen from the above table that nearly 60 per cent of the aggregate growth in the cost of state government during the period under review relates to current expense for operation and maintenance. Increased outlays for capital extensions and improvements account for over 36 per cent of the total. Despite the widely prevalent notion that the piling up of state indebtedness has been an important factor in bringing about the present level of costs, it will be noted that the growth of interest and amortization charges ac-

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[1] *The Post-War Expansion of State Expenditures*, National Institute of Public Administration, 1926, p. 48.

INCREASE IN EXPENSES FOR OPERATION AND MAINTENANCE OF GENERAL DEPARTMENTS (EXCLUDING PUBLIC SERVICE ENTERPRISES) 1925 OVER 1915
(000 omitted)

Function	Cost Payments		Increase Over 1915		Per Cent of Total Increase
	1915	1925	Amount	Per Cent	
General government	$44,508	$85,569	$41,061	92	6.3
Protection to person and property	26,295	55,834	29,539	112	4.5
Development and conservation	16,559	56,386	39,827	241	6.1
Health and sanitation	9,454	24,839	15,385	163	2.3
Highways	22,768	144,280	121,512	534	18.5
Charities, hospitals and correction	89,189	168,754	79,565	89	12.1
Education	147,164	397,700	250,536	170	38.2
Recreation	879	2,746	1,867	212	.3
Miscellaneous	22,214	99,370	77,156	347	11.7
Total	$379,030	$1,035,478	$656,448	173	100.0

counts for less than 5 per cent of the total increase in cost payments during the years under consideration.

A real understanding of the factors responsible for the current scale of state costs can only be obtained by subjecting each of the expenditure categories enumerated above to a detailed analysis. The above table gives a functional analysis of the most important group of costs, namely, expenses for operation and maintenance.

Limitations of space will not permit of an extended discussion of all of the individual increases set forth in the above tabulation. Only the more striking of these increases will here be considered. It is a significant fact that the largest single item of increase is attributable to public instruction. It alone was responsible for more than 38 per cent of the total growth of current state expenses during the period under review. Next in importance is the function of highway maintenance which contributed about 19 per cent of the total growth. The current upkeep of state prisons, hospitals and charitable and correctional institutions ranks third in importance, accounting for 12 per cent of the aggregate increase. So-called miscellaneous expenditures, the nature of which will be indicated later on, account for somewhat less than 12 per cent of the total. Since the four items mentioned comprise over 80 per cent of the total increase in current state costs between 1915 and 1925, separate consideration of each of them is warranted.

EDUCATION

Of the 398 million dollars expended by state governments for educational purposes in 1925, about 256 millions represented educational subsidies or grants in aid to local political units. In 1915 the amount of state aid for local public instruction amounted to only 98 million dollars. The increased support of local education was due in part to the same circumstances which caused the direct educational expenses of the states to advance but the growth of state aid was proportionately greater than the growth in educational expenditures for the country as a whole, and reveals a tendency on the part of state governments to assume a larger share of the local educational burden.

Primarily, however, the need for increased state aid would not have developed when it did had it not been for the tremendous advance in educational costs which came after the World War. According to the reports of the United States commissioner of education, the total amount expended on schools for the country as a whole registered a rise of approximately 250 per cent between the school years 1913 and 1924. The reasons for this phenomenal advance may be summarized under three heads, (1) price inflation, (2) increase in school enrollment and (3) improvements in educational standards.

Index numbers of the cost of public instruction compiled on the basis of data applicable to New York state indicate that the same sort of education for which the tax payers of the state paid $100 in 1923 could have been obtained for $57 on the basis of the 1915 price and salary level. Assuming that this situation was true for the United States as a whole, and that the same differential holds for the years 1913 and 1924, it is apparent that the real growth in educational costs between these two years, after elimination of the effects of price inflation, was in the neighborhood of 100 per cent. Most of this advance may be readily accounted for on the basis of increased school enrollment and improvements in educational standards.

Between 1913 and 1924 there was a 40 per cent growth in average daily school attendance. The number of pupils attending public high schools increased by approximately 125 per cent. Since the annual cost of educating a secondary school pupil is about two and a half times as great as the cost of educating an elementary school pupil, this influx of high school pupils exercised a disproportionate effect on current school costs. Improvements in educational standards are indicated by such criteria as the lengthening of the average school term from 158 to 168 days and the raising of the average salary per teacher from $512 to $1,227 per annum. Such features as school doctors, nurses, dental clinics, open air schools, lunch rooms, supervised playgrounds, gymnasiums, special classes for mentally backward or deficient children, visiting nurses and programs of physical and health education, furnish further evidence of the extent to which the quality of the educational offering has changed within the last decade.

HIGHWAY MAINTENANCE

The bulk of current state highway expenditures are for the care and maintenance of state systems of public roads. It will be noted from the preceding table that these expenditures were over six times as great in 1925 as in 1917. Price inflation is by no means sufficient to account for this remarkable growth. Index numbers of the cost of labor and materials employed on road maintenance in New York state show an advance of only 52 per cent as between 1915 and 1922. The main reason for the expansion of highway costs was the pressure for good roads which came with the advent of the automobile. The rapid popularization of motor transportation resulted in a tremendous growth of highway traffic which necessitated the construction of more durable and more expensive types of roads and the spending of ever greater sums for maintenance and reconstruction.

While there is no single criterion which will serve to measure the amount of repair and reconstruction work necessary on a given highway system, it is clear that such requirements are largely dependent upon the number of miles of highway to be maintained, the number, weight and speed of the vehicles using the highways and the proportion of the total mileage which has reached or is approaching the end of its economic life. In 1925 the total mileage of surfaced roads in state highway systems was approximately 188 per cent greater than in 1915. The volume of highway traffic as indicated by motor vehicle registrations was more than eight times as great. In this connection it must be remembered that there was a relative increase in the number of motor trucks and busses, vehicles which, because of their weight, cause more damage to the roads than any other class of traffic.

One of the most important factors in bringing about an advance in highway maintenance costs was the increase in the average age of highway systems. Even when properly maintained, the volume of repair work on a given road grows larger as its age increases. Finally a point is reached where it becomes more profitable to build a new pavement than to attempt to maintain the old one. The building of our present network of improved highways was scarcely under way in 1905. As a result a much larger proportion of the total highway mileage was approaching the end of its economic life in 1925 than was the case in 1915. This circumstance resulted in a large and unavoidable increase in expenditures for repairs and reconstruction.

HOSPITALS, CHARITIES AND CORRECTION

Expenditures for hospitals, charities and correction comprise for the most part the cost of maintaining the inmate populations of state prisons, hospitals for the insane and various state institutions for paupers, delinquents and defectives. It will be noted that these expenditures showed an increase of 89 per cent during the period under review and were responsible for 12 per cent of the total growth of current state expenses. There is no mystery about this increase. The United States bureau of labor statistics' index numbers of the cost of living registered an advance of 67 per cent between 1915 and 1925. The residual increase was due to growth in the number of inmates to be maintained. Complete data regarding the number of state dependents are not available for the years 1915 and 1925. Between 1910 and 1923, however, the aggregate number of insane in hospitals, feeble-minded in institutions, prisoners in state prisons and paupers in almshouses expanded by more than 20 per cent.

The three functions so far mentioned account for over two-thirds of the total increase in current state expenses. The causes for the remaining third of the increase are too numerous to permit of more than passing mention. The 77 million dollar growth in miscellaneous expenses is an aftermath of the World War and represents mainly relief and bonus payments to veterans. In 1925 nearly 56 million dollars were paid out by the various states in the form of soldier's bonuses. In judging of the legitimacy of other items of increase, the following facts must be borne in mind. In 1925 the country had a population 16 per cent greater than it had in 1915. The purchasing power of the government's dollar had shrunk to 65 per cent of its pre-war value. Price inflation created a need for new revenues and the collection of these revenues entailed additional expense. Finally, the scope of many state functions especially those connected with health and conservation was extended. One of the most costly of the new activities was a movement, jointly sponsored by the states and the federal government, to stamp out bovine tuberculosis. In 1925 about 7 million dollars was disbursed by the various states in indemnifying farmers for losses sustained through the slaughter of diseased cattle.

CAPITAL OUTLAYS

The survey of the causes lying back of the increase in the current expenses of state governments has necessarily been hasty and superficial. Never-the-less it must indicate even to those who have a strong anti-government bias that the increase was in the main legitimate and unavoidable. Can a like judgment be rendered as regards state expenditures for capital extensions and improvements? It has been seen that these expenditures grew by some 428 per cent during the period under review and that they account for 36 per cent of the total rise in governmental cost payments.

The capital outlays of the various states were roughly speaking 408 million dollars greater in 1925 than they were in 1915. It is extremely significant that approximately 90 per cent of this additional outlay is attributable to the construction of new highways. The extensive highway construction projects undertaken by state governments during recent years can scarcely be condemned unless one is willing in the same breath to condemn the developments of which they are the logical result. The state governments were not responsible for the astounding growth in the field of motor transportation. The country's aggregate investment in motor vehicles is today in the neighborhood of 10 billion dollars. To make this vast investment effective, good roads are absolutely essential. The capital outlays made by states for highway purposes cannot therefore, be regarded as any less productive than the same amounts invested in oil refineries, garages and tire factories. The automobile, however, was not the only factor which operated to increase the volume of capital outlays. Price inflation played an important rôle. A minor factor was the enforced reduction of public construction activities during the war and the subsequent necessity of making up for the resulting deficiencies.

INTEREST CHARGES

Although interest and amortization charges were responsible for less than 5 per cent of the aggregate increase in state disbursements, nevertheless these charges show a growth of 226 per cent for the period under review. During this period the gross indebtedness of the states increased from 512 to 1,559 million dollars. Practically four-fifths of the present state indebtedness represents investments in roads, buildings and other permanent improvements. The factors which explain the growth of capital outlays are, therefore, equally applicable as an explanation of the existing volume of this portion of the states' capital obligations. The remaining indebtedness must be charged to the cost of the World War. It represents obligations floated to finance the payment of soldier's bonuses. During 1925 the various states paid interest on 287 million dollars of indebtedness contracted for the above purpose, all of which appears as an increase in the comparison with 1915.

BOOKS AND PUBLICATIONS

THE MISSOURI CRIME SURVEY. By The Missouri Association for Criminal Justice. New York: The Macmillan Company, 1926. Pp. xxvi, 587.

No more dramatic token of twenty years of national growth can be imagined than this substantial, painstaking study of criminal law administration when compared with the muckraking magazine articles that marked the coming of age of American civic self-consciousness. The contrast will be often in the minds of all readers more than forty years old.

As one of the first fruits of the agitation begun four or five years ago the Survey also has significance. This agitation has been of a sensation-loving kind, random and careless of fact, but it appears finally to have justified itself. The volume is dedicated to Mr. Guy A. Thompson, who, as president of the Missouri State Bar Association, proposed the work and helped to form the Association for Criminal Justice, which was incorporated. The broadest possible basis of membership was sought. Voluntary contributions to the amount of $40,000 were obtained, and after the work had been completed it was necessary to collect an additional $25,000.

The greater part of the expense lay in statistical investigations of the records for one year in the counties comprising the three largest cities—St. Louis, Kansas City and St. Joseph—and two years in at least one county of every judicial circuit, to the number of thirty-nine counties. The study was limited throughout to felony cases. Twenty-eight investigators, mostly lawyers, were employed. About 10,000 cases were recorded.

The book consists in the main of eleven departments, each with a compiler, or editor, as follows: "The Metropolitan Police Systems," by Bruce Smith; "The Sheriff and the Coroner," by Raymond Moley; "Preparation and Presentation of the State's Case," by Arthur V. Lashly; "Judical Administration," by Arthur V. Lashly and J. Hugo Grimm; "Bail Bonds," by Raymond Moley; "Ten Years of Supreme Court Decisions," by J. Hugo Grimm; "A Statistical Interpretation of the Criminal Process," by C. E. Gehlke; "Necessary Changes in Criminal Procedure," by Herbert S. Hadley and Jesse W. Barrett; "Record Systems," by James E. Boggs and William C. Jamison; "Mental Disorder, Crime and the Law," by Dr. M. A. Bliss; "Pardons, Paroles and Commutation," by A. F. Kuhlman. Each editor was assisted by a committee to whom he submitted his manuscript for discussion, criticism and revision, and presumably all of them had access to the statistical tables. This community of authorship is necessary to insure broad vision, but has a deadening effect on the literary style. Under every department heading there is a body of recommendations which constitute the real heart of the work.

It is rare, indeed, that money devoted to any public cause is made to produce so much valuable information as in this instance. A principal reason why people differ so radically in their views on administrative and legislative proposals is that their understanding is limited, first, to the very small part which has come to their personal attention, and, secondly, to their temperamental trends. This Survey now yields all the facts that the mind is capable of embracing, and the befogging factor of personality is pretty well exorcized.

The public money chargeable to criminal law enforcement in the year 1924 in Missouri amounted to $9,183,637.16. The Survey shows, and says, that the public is not getting its money's worth (pp. 14–15). Stronger support is afforded by the Survey's figures to the sensational statements of the failure of criminal justice in this country than this writer expected. Take St. Louis: in the year ending October 1, 1924, thirteen thousand serious major crimes were reported to the police, and Chancellor Hadley declares that these were but 40 per cent of the crimes reported, the other 60 per cent being reported to the prosecutor's office, which keeps no records. But only 964 prosecutions were begun. Of those prosecuted 55 were acquitted by juries, 489 were released by action of a court or the prosecutor; and of those sentenced only 374 were punished. Kansas City appears to be as bad, or even worse (p. 349).

It appears that so far as numbers go the failure of justice is far less a matter of trial in the courts than of failure to apprehend criminals, abuse of the parole powers and slackness in the prosecutors' offices. Back of every specific inefficiency lies the utter lack of unity of the numerous parts of the state's great assembly of machinery.

The Missouri Association for Criminal Justice is intended to continue its work indefinitely, and on its persistence for a number of years depends its ultimate success. The work thus far done is the most valuable that has been done in this field, but it calls for continued energy for at least a decade. Additional fields of investigation, and continuing observation of certain parts, can be attended to in due time.

There seems to be but one serious omission in this book. Three years ago the Missouri Constitutional Convention revised the judiciary article to provide a unification of all the courts of the state, with responsible administrative direction, which would imply statistical recording. It was the most thoroughly worked out revision of a judiciary article on modern lines that had been made. The present report would have done well to have kept this ideal of judicial unification alive as something eventually necessary.

HERBERT HARLEY.

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PRACTICE OF MUNICIPAL ADMINISTRATION. By Lent D. Upson. New York: The Century Company, 1926. Pp. 588. $4.

For a long, long time we have been waiting for a comprehensive work on the administrative problems of city government. Mr. Upson has given us the book. It is, he says, "intended not for the professional administrator . . . but for the lay citizen, in or out of public office, who wishes some acquaintanceship with the problems that perplex the professional." The professional administrator, too, will find he cannot do without it, for while it may not inform him with respect to his special branch of administrative work, it will show him what that work means to the city as a whole.

As for the lay citizen, I only wish it were possible to put this book into the hands of those laymen, officeholders, leaders in civic organizations, newspaper editors, and the like, who by reason of their position exercise effective negative control over the processes of municipal administration. Never before has there been, so far as I know, a volume to which such men and women might be sent, to get the light on the problems which they too often try to solve by applying eighteenth-century political methods to twentieth-century technical processes.

It is impossible in a brief review even to summarize the scope of Mr. Upson's book. Suffice it to say that every department and division of the administrative practice of the American city is included. The methods rightly chosen for favorable discussion are not those that have been most widely accepted, but those that have been adopted by the most progressive cities, or those that seem best adapted to present-day conditions.

The book is remarkably successful in its escape from the confusion of the things belonging essentially to the political, or organization, content of the municipal government and those belonging to the functional, or administrative side. Yet it implies, usually, the separate direction of each city department by a man of at least some special training reporting to a political mayor. This implicit acceptance of what is still the usual type of municipal organization is justified, of course, but it tends to invalidate certain of the recommendations for methods of practice where the organization is also headed by a professional, as in a city with the council-manager form of government.

Then, too, not even Mr. Upson with his wide sweep of knowledge, his methodical and exhaustive research, his catholic interest and his amazing industry, has been able quite to rid himself of the point of view imposed by the size of a city. Municipal problems in all cities are practically identical qualitatively, but their quantitative divergence makes it impossible always to use the same methods of administrative practice in large and small cities.

Mr. Upson, I think, has the large city well in the foreground of his mind. Else he would not with quite so much facility say in one paragraph that a civilian leader is necessary for successful police administration, and in another with equal facility condemn the usual practice of the better managed smaller cities in grouping the police and fire departments with building inspection, etc., under a department of public safety. Such groupings are the only possible way to obtain expert professional supervision in the smaller cities.

Most of us have our favorites amongst the departments, and I read the book with an eye to catching the author at play with his pet. He has not done that, but it is evident that one department puzzles him by its behavior. He is rather hopeless concerning the police, although his suggestions in the main are not only sound but sympathetic.

To one who has spent years trying to smooth over the jealous and the zealous quarrels of the different city departments it is a little amusing to see Mr. Upson refer without disapproval to the health department that thinks it can best solve the venereal disease problem by excluding police participation, when the record shows that the few cities that have made considerable progress in this difficult matter have done so because the health department and the police departments have coöperated to the fullest extent.

What we have in this book is the first comprehensive picture of the municipal administrative machine. It covers the ground, it is not dogmatic in tone (thus leaving room for the exceptional circumstance arising out of local conditions), and it is well arranged and adequately indexed.

If every newspaper editor could have this book on his table and would refrain from writing an editorial about any administrative process of the local government until he had read the appropriate chapter of Upson; if every councilman would read Upson before he voted on the city budget; if every mayor and every elected city official could be persuaded to have Upson always on his desk and to get the habit of reading and rereading him; then we would have a far, far better state of things in our city governments than we have.

To the student of the processes of municipal government and to the professional municipal administrator, the book is a necessity; the most valuable single volume available.

Louis Brownlow.

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Recreation Survey of Buffalo. L. H. Weir, Director. Conducted by Buffalo City Planning Association. Buffalo, 1925. Pp. 369.

This survey, from the beginning made in 1921 by the Social Welfare Conference to its completion in 1925 under the direction of the Buffalo City Planning Association, has been a coöperative enterprise. Mr. L. H. Weir, field secretary of the Playground and Recreation Association of America, was engaged to compile and interpret the collected data. Preliminary investigations indicated little correlation between the groups promoting recreational activities and insufficient facilities, especially in the poorer sections of the city. According to the introductory statement, the survey was published to present to the citizens of Buffalo the recreational facilities already provided by existing public and private organizations and expansions necessary to have Buffalo conform to modern standards of recreation.

Recreation is considered in its broadest sense. Thus the facilities offered by the city playgrounds, parks, public schools, libraries, museums and art galleries are covered. Private agencies include industries, commercial recreation centers, churches, private schools, institutions, fraternal organizations and music, art and dramatic groups. Recreation, in this sense, means any profitable use of leisure time whether the benefit be physical, social, aesthetic or mental. As a result much valuable data has been gathered and compiled on the activities of private agencies. Despite the variety and importance of this information, no clear-cut or adequately detailed picture of existing play areas as regards dimensions, equipment, number of persons served or the leadership provided is made available. A reasonably accurate estimate of such quantitative factors seems essential to the determination of the future program of the city and the public schools as regards play areas, equipment and personnel.

The basis for a future recreation program for the city and the public schools is found in the chapter dealing with public agencies. Here, concrete proposals are made for the establishment of new playgrounds with suggested locations and dimensions. The separate recommendations for the new areas both by districts and by school locations is somewhat confusing from the standpoint of determining the total existing playground space and the total areas needed. More definite evidence of the relation between the data on population distribution and the location and extent of the proposed play areas would make for greater clarity. The chapter on organization and administration of public recreation contains a concise statement of administrative principles in recreation. The organization charts are suggestive, but they refer solely to the bureau of recreation. No plan for integrating the recreation activities of the city and the schools is included in the chapter.

There are a number of serious gaps in a recreation survey as ambitious and as voluminous as this one is. First, no critical analysis is made of the existing playground force of the city and the schools; nor is there any discussion of the number, qualifications or salaries of the additional personnel needed to conduct the new play areas recommended. In the second place, financial methods involved in playground operation receive relatively slight consideration. Reference is made to budget preparation, the estimating, purchase and control of supplies and materials and the analysis of present and proposed current and capital outlays. Finally, there is no projected financial program indicating either the procedure or the ultimate cost to the taxpayers involved in carrying out the extension of the existing recreational facilities.

The value of the survey is found in the extent and variety of the recreation data, the numerous and concrete, practical suggestions made for the conduct of play activities and the specific proposals for new and extended play areas. The emphasis given to home play and the activities of private organizations is significant. The appendix contains a compilation of statutes and ordinances relating to recreation. An excellent set of maps is included in the report.

Randolph O. Huus.

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Some Phases of Taxation in Pennsylvania. Part I, "Rural Taxation in Pennsylvania," by Prof. F. P. Weaver. Part II, "Wealth, Income and State Taxes Paid by Various Groups of Businesses in the State," by Clyde L. King. Bulletin, Pennsylvania Department of Agriculture, Harrisburg, December 15, 1926. Pp. 82.

Part I of this pamphlet gives the results of the study of phases of the rural tax problem in different parts of the state made during the summer of 1925 under the immediate direction of Professor F. P. Weaver of the Pennsylvania State College. The purpose of his study was twofold: "First, to see how nearly the assessed valuation corresponds with the selling value of property in different counties in the state, in different townships and boroughs in the county, and as to different properties in the same political division. Second, to get the total income of the agricultural industry in the state, the total worth of the farming people, and the amount of all taxes paid by agriculture to compare with similar data for other industries."

Professor Weaver concludes that the practice of making assessments by locally elected assessors has proved an unqualified failure. Some property owners, both rural and urban, pay from two to nine times as much tax in proportion to the property they own as others in the same town or township, simply because of unequal assessments. Farm real estate invariably bears a heavier burden than town real estate. For example, in the northern and western part of the state, Professor Weaver found that 24½ per cent of the net income from town real estate went for taxes and 55 per cent of the net income from farm real estate. In two townships, situated in different parts of the state, it was found that 20 percent of the total earnings of the farm, the farmer, and all members of his family was paid in taxes. Agriculture as a whole in the state carries a tax burden that consumes at least a 13 per cent larger share of the total earnings of the farm and the farmer than do all taxes paid out of the average earnings of the state with agriculture included in the average. Among the relatively lightly taxed incomes of the states are personal incomes of various kinds and the incomes from manufacturing, construction and general service. Professor Weaver also points out that the heavy demand for funds for schools and roads to meet the minimum standards set for education and road construction places such a heavy burden of taxation on property in certain sections of the state, that much needed relief in these sections can come only from the extension of more state aid, graduated on a basis that will supply more relief where the tax burden is relatively heavy in proportion to income.

In Part II Dr. Clyde L. King, recently secretary of the commonwealth, and now of the University of Pennsylvania, gives the results of a study of the wealth, incomes and state taxes paid by the various industrial groups of the state. The basis for the classification is the same as given in the "Annual Statistics of Income" published by the federal bureau of internal revenue. The very outstanding fact revealed by this study is that the wealth and income of the largest industrial group in Pennsylvania (the manufacturing group) is practically exempt from paying any share of the state taxes. The industrial groups of the state that are particularly called on to make up the deficit in state income due to exemption of the manufacturing group are especially: transportation and public utilities; mining; the financial business and trade. While consideration must be given to the fact that the real estate owned by the railroads and the public utilities is exempt from local taxes, "it does not justify," in the opinion of Dr. King, "calling on these businesses to pay thirteen times the taxes another industrial group of greater wealth pays in proportion to income." The proportion of state taxes paid by the mining and quarrying industry is large chiefly because of the tax on anthracite coal. "But whatever may be said for that tax, nothing can be said for taxing the mining business ten times as heavily as the manufacturing business in proportion to income." Another outstanding fact brought out by this study is the lighter tax burden on urban earning power than on agricultural earning power. The industrial group called general service (hotels, theatres, lawyers, doctors, architects, engineers, etc.) contributes a slight fraction of its earning power to the state. "The construction industry shows the highest profits in proportion to wealth invested, yet it, too, pays a slight fraction of its earning power as state taxes." While agriculture pays practically none of the federal or state taxes, it pays so large a share of the local taxes, that its burden for all direct public revenue is relatively much heavier than is the burden on the citizens of the state as a whole.

Both of these studies are admirably executed and are deserving of the thoughtful consideration of the Pennsylvania citizenry. Incidentally, they explain the solicitude of Mr. Grundy, president of the Pennsylvania Manufacturers' Association, for the success of his candidate, Mr. Fisher, in the gubernatorial primary of last year. That solicitude, it will be recalled, reached the extent of a $300,000 contribution to the Fisher-Pepper campaign fund.

Martin L. Faust.

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Organization and Administration of the Education Department. By Alfred E. Ikin. London: Pitman's Municipal Series, Sir Isaac Pitman & Sons, 1926. Pp. 238.

If one feels that the development of public education in the United States has been a bit too rapid he will be surprised to find that the history of publicly supported education in England extends over a far shorter period. Alfred E. Ikin's handbook on English school administration clearly points to the fact that the local educational administrator has "no long years of traditional procedure" upon which to act. The first threads of local authority were not spun until 1889 when certain technical instruction came under the control of county and borough councils. The whole fabric of a board of education for the country, with a unified policy in control of all public elementary education, was not woven until 1921.

Following a brief review of the laws of 1833, 1870, 1902, 1918 and 1921 with references to those of lesser importance the author treats in detail the powers, functions, administrative organization and administrative procedure in a local educational unit. A most interesting chapter deals with the subcommittees and special subcommittees of the local councils. If the administrative machinery functions as it was designed, then the county or borough education committee not only legislates but checks the administration of the law and by-laws to the most minute detail.

While the county or borough committees have many and varied subcommittees, indicating a loosely knit legislative body, the administrative body is centralized under a single officer who is in direct charge of all business functions as well as those purely educational.

The book will undoubtedly have a direct appeal to three groups: First, the English school official and student of education for whom it was very evidently intended as a handbook; second, the foreign student of education; and third, to any student of governmental administration whether he be a school official seeking to improve his organization and thereby better its service, or an extramural investigator into school costs, procedures and results who can find among other things that the growing pains of rapidly developing educational systems are not confined to those of this country alone.

H. E. Akerly.

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Forty Millions for Traffic.—The question raised by the "Providence Traffic and Thoroughfare Plan," by Robert Whitten, is not whether the money required to build practically a new network of wide traffic routes throughout the old city, with most of the crossings of other streets at grade eliminated, will bring commensurate financial savings to citizens in the economical operation of trucks and other cars, nor even whether it will be a paying investment for the present corporate body of Providence in real estate values and other tangible returns. This we consider to be demonstrated. One can only wonder whether these forty millions, if expended in any other way, might produce a greater total return of welfare and happiness to people. Is the difficulty with which even meagre funds are raised to finance new settlements increased by such extensive diversions of available capital into patching the old and remedying the egregious blunders of the dead past? To be sure, it is stated that Providence is bound to spend large amounts for traffic relief in any event, and that the comprehensive plan will so guide these expenditures as to achieve an efficient plan. Looking back, we see that it is the application of similar radical measures that has made possible our great cities with their congested populations. The electric car, the steel building, the elevator, the telephone, and now the superthoroughfare, each are proven vital to the continued growth of our metropolitan agglomerations.

Arthur C. Comey.

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A City Plan on the Ground.—Few cities in the United States utilize their plans, often prepared at great expense, as do St. Louis and Chicago. "Ten Years' Progress on the City Plan of St. Louis," issued by the City Plan Commission, records many miles of actual street openings and widenings, as well as new parks and zoning, which follow the master plan, and nearly fifty millions of dollars from bonds appropriated for plan projects. An even larger program is in progress to bring the city's major traffic net up to current needs, additional play areas are being acquired, and the fifteen million dollar civic center is under way. Seemingly only by such vigorous action can our larger cities keep up with the times.

Arthur C. Comey.

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The American Yearbook. A Record of Events and Progress for the Year 1926. Editor, Albert Bushnell Hart; Associate Editor, William M. Schuyler. New York: The Macmillan Company, 1927. Pp. xvii, 1178.

For those interested in events and general progress in the United States during 1926, the *American Yearbook* serves as a very useful handbook. The main divisions are the same as those of the 1925 edition: Three dealing with public affairs, one each with economics, social conditions, the sciences and the humanities. It also contains an extensive table of contents, a chronology, necrology and an index, all of which add to its value as a book of ready reference.

Additional subjects are included in the 1926 volume and more contributors are thus represented. At the close of each division is included a list of national organizations concerned with the subjects dealt with therein. This is also an addition not found in previous volumes.

E. C.

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The Municipal Index for 1927 is the fourth annual volume published by the American City Publishing Company. It is compiled especially for municipal officials, but is also useful to others interested in municipal affairs. Each year has seen new tables added, and the 1927 book contains some fourteen new tabulations. Articles on special subjects by men prominent in the various fields and bibliographies covering the more important phases of municipal government also make it a valuable reference work. As the only book of its kind in the field, it has a definite place among useful publications on local government.

E. C.

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Report of the Committee on Sanitary Control in the Development of Ground-Water Supplies. Public Health Reports, November 26, 1926. United States Public Health Service, Washington, D. C. Reprinted from the Transactions of the Sixth Annual Conference of State Sanitary Engineers.

This report summarizes the sanitary defects affecting the safety of water obtained from various types of ground-water supplies, such as wells, springs, and infiltration galleries, and indicates the safeguards which should be employed to remedy them. Examples are given of towns in which epidemics have occurred due to the various defects. A code of principles on the sanitary control in the development of ground-water supplies is included.

Three appendices give, respectively, a bibliography of reports of epidemics from ground-water supplies, references to articles discussing the various defects and safeguards, and suggested regulations covering the installation of well-pumping machinery.

C. A. Howland.

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Swimming Pools and Other Public Bathing Places. Report of the Joint Committee of the American Public Health Association and the Conference of State Sanitary Engineers. *American Journal of Public Health*, December, 1926.

The joint committee on bathing places submitted its report at the fifty-fifth annual meeting of the American Public Health Association. In this report standards for the design, construction, equipment, and operation of public bathing places are presented. These standards represent the result of about six years of effort to formulate a uniform practice for the construction and operation of swimming pools.

C. A. HOWLAND.

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Grading Municipalities To Determine Fire Insurance Rates by Harvey Walker, is a reprint from *Minnesota Municipalities*. The information is especially valuable to municipalities in Minnesota, but should be of much general interest as the National Standard Grading Schedule is used. It is a very thorough treatment of the subject, and is presented in a lucid style.

E. C.

✣

Garbage and Refuse Disposal for Small Municipalities is one of the recent publications of the League of Minnesota Municipalities. It contains two suggested ordinances: one regulating the collection and disposal of garbage and rubbish, and the other establishing and regulating the municipal dumping ground, which are applicable to the smaller municipalities.

E. C.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Zoning—Comprehensive Zoning Ordinances Upheld in Tennessee.—Among the many recent zoning decisions, that of the supreme court of Tennessee upholding the comprehensive ordinances of Memphis is perhaps the most noteworthy, aligning that state with the majority of our jurisdictions. (*Spencer-Sturla Co.* v. *Memphis*, 290 S. W. 608.) The legislative act conferring such authority upon cities having a population above 100,000 inhabitants was passed in 1921 and the ordinance in question in 1922. The statute directed that regulations should be made "with reasonable consideration, among other things, to the character of the district, its peculiar suitability for particular uses, the conservation of property values and the direction of building developments." It further provided for an investigation before action by the city, for the continuances of industries and uses already established and that amendments should be made over the protest of property holders only by a four-fifths vote of the municipal legislature.

The plaintiff in error was charged with unlawfully maintaining an undertaking establishment in a "B residence district" from which such business was excluded. The court brushed aside the contention that the power to exclude was not included in the term "regulation," and held that the ordinance was not unreasonable because of its prospective application, the impracticability of prohibiting the continuance of an existing use being held to be a reasonable basis for the apparent discrimination involved in failing to make the ordinance retrospective. Upon the claim that the ordinance was void under the Fourteenth Amendment, the court says that "the holding of the Supreme Court in *Village of Euclid* v. *Ambler Realty Co.* would also force us to overrule this contention." In addition to this view of the finality of the Euclid decision, the opinion of the court peculiarly emphasizes the maintenance of property values as a proper basis for the exercise of the police power.

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Initiative and Referendum—Applicability to Zoning Ordinances.—In *Dwyer* v. *City Council of Berkeley*, 253 Pac. 932, the supreme court of California holds that the right reserved to the people by the state constitution to submit legislative questions to direct vote cannot be abridged by any procedural requirements of a general zoning ordinance and that therefore the provision that a two-thirds vote of the city council is necessary to rezone certain territory over the protest of 20 per cent of the owners of the lands involved is inapplicable to direct legislation under the initiative and referendum powers of the city charter. The question arose by petition for a mandamus to compel the city authorities to submit an amendment to the general zoning ordinance which would take out of a restricted district a portion of the campus of the University of California so that a part of the land could be used as a chicken farm, designated by the petitioner as "an experiment station in connection with instruction in poultry husbandry."

Under the California law, only ordinances that involve an exercise of the legislative prerogative are subject to initiative and referendum. Thus, in some cases street improvement ordinances are regarded as local in character and not included in the sphere of general legislation. But the court holds that zoning ordinances are police power enactments, designed for the promotion and perpetuation of the moral and material welfare of the people of the entire city. The sectional interest of property owners to be affected by an amendment must therefore be subordinated to the general interest of the electorate. As the home rule charter of the city does not expressly exclude this method of amending the general zoning ordinances, the court concludes that the constitutional reservation of the right to the city requires the submission of such amending ordinance properly initiated to the vote of the electorate.

This decision, which practically nullifies the carefully drafted provisions for the protection of districts created under the comprehensive zoning ordinances, illustrates how subtle personal interest may overcome that support of approved and useful measures which we should expect from public-spirited citizens. Fortunately, under the California system, the city may so amend its own charter as to preclude the application of direct legislation to referendum projects designed to protect the property owners of a restricted district.

✣

Zoning—Setback Lines Upheld.—The setback provisions of the joint ordinances of the city of Warren and of the city of Cleveland have recently been sustained in *Harris* v. *State*, 155 N. E. 166, and *Weiss* v. *Guion*, 17 Fed. (2d) 262, respectively. In both these cases the ordinances provided for setback lines based upon the average of existing lines in a given block and their application made prospective. The usual provisions for appeal were included, but the petitioner in each case attacked the validity of the ordinance not only upon the question of reasonableness but also upon the usual constitutional grounds. The latter objections were quite summarily dismissed upon authority of the adjudicated cases and the contestants reminded that the establishment of reasonable setback lines from an early day and long before zoning was heard of has been uniformly sustained as a proper exercise of the police power.

Under the comprehensive enabling act in Ohio, no question of the delegation of power to enact these regulations could be raised, and aside from the constitutional issue there was left only that of the reasonableness of the ordinance. The state court of appeals decided in favor of the method of fixing the setback line for future building as the average of the frontages of existing buildings in a given block by challenging the objectors to find any other measure that could be so fairly applied. The federal court in the Cleveland case came to the same conclusion by postulating the reasonableness of the ordinance *prima facie* on the legislative act and placing upon the plaintiff the burden of demonstrating the alleged unreasonableness. By its own process of reasoning, the court in each case came to the conclusion that such an ordinance "could be overthrown only by holding that any setback ordinance deprived the abutting property owner of his property without due process of law."

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Highway Districts—Idaho Law Held Invalid.—The United States district court for the southern district of Idaho in *Oregon Short Line R. Co.* v. *Clark County Highway District*, 17 Fed. (2d) 125, granted an injunction restraining the defendant from issuing $100,000 in bonds for highway construction upon the ground that the statute under which the district was organized violated the due process clause of the constitution. The Idaho statute, enacted in 1919, provides for the organization of highway districts on petition of not less than fifty holders of titles to lands in a contiguous tract of at least 20,000 acres or $1,000,000 in value, or of not less than 20 per cent of the adult residents in the territory, defining the boundaries of the proposed district and giving it a name. Upon the filing of such a petition, an election must be called, and upon approval by a majority vote of the qualified electors the district must be declared duly organized and has power to issue bonds payable by *ad valorem* taxation. The court bases its decision upon the well-known Archer County case (*Browning* v. *Hooper*, 269 U. S. 396), decided by the Supreme Court in 1926, in which the court held that somewhat similar highway districts organized under the Texas statutes were without power to levy *ad valorem* taxes in the nature of special assessments, because no provision was made for notice and hearing as to special benefits, thus distinguishing assessments so made from those by a district directly created by the legislature and by a municipal corporation which also makes a legislative determination that the property to be assessed for the improvement will be benefited thereby. (*Valley Farms Co.* v. *Westchester*, 261 U. S. 155.)

It is to be noted that in the instant case the decision is by the district court and subject to appeal to the circuit court of appeals and finally to the Supreme Court. The district judge seems to give rather too much weight to the method of creation and not enough to the powers conferred upon the district. Under the Idaho statute, the district when organized becomes vested with wide jurisdiction over the highways to the exclusion of other municipalities within its limits. Its governing board, consisting of three commissioners, elected every four years, is clothed with large powers and a measure of discretion. In short it exercises powers over the highways similar to those of municipal corporations and is liable for their proper maintenance to the same extent. (*Strickfadden* v. *Green Creek Highway District*, 248 Pac. 456.) It would seem that if the legislature may direct municipal corporations to build and improve highways by an *ad valorem* tax, the assessment in the instant case should not be regarded as based upon the doctrine of special assessments. The legal status of the Idaho highway districts had already been defined in numerous cases, but in none had the question raised in the Archer County case been presented. (*Shoshone Highway District* v. *Anderson*, 22 Idaho 109, 125 Pac. 219; *Kimama Highway District* v. *Oregon Short Line*, 298 Fed. 431.) We may await with interest the decision of the appellate courts.

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Home Rule—Power of City To Make Local Election Laws.—The delimitation of the sphere of home rule by the courts in the several states which have recently adopted home rule amendments and statutes is among the most important of the problems of our municipal development. The extent of local powers under the New York home rule amendment of 1923 came before the supreme court of New York in *Bareham* v. *City of Rochester*, 220 N. Y. S. 66, in which the city home rule law of Rochester approved by the electors of that city in 1923 was under attack. The court sustains the provisions of the local law, except so far as it contravenes the general statute by enacting that "no appointive office or position may be filled by any person who within one year previous to the date of such appointment has held an elective office in the city." The court sets aside this provision upon the authority of the state constitution which provides that "the legislature shall not pass any private or local bill in any of the following cases. . . . The opening and conducting of elections or designating places of voting." "Taken as a whole," says the court, "the local law cannot be declared illegal. The void parts are severable from the valid, and the valid must stand. (*People ex rel. Alpha Portland Cement Co.* v. Knapp, 230 N. Y. 48, 60, 129 N. F. 202; article 20, Rules of Constitutional Interpretation; 2 McKinney's Statutes, 35.) The parts of the law held invalid because of their conflict with the election law must, of course, yield to the law, and all elections held in the city must be conducted in accordance with its provisions. It is felt that in the state law, certain parts of the old charter left unrepealed, and the valid parts of the new local law, the city has abundant and appropriate authority for the lawful, practical, and continuous exercise of all of its functions."

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Ownership—Judicial Control over Rates for Services.—The city of Lock Haven has owned and operated its water supply for the past twenty-five years, and during that period has been accustomed to donate to new industrial establishments as an inducement to their location free service for a period of two years. The question of the validity of such an agreement recently came before the supreme court of Pennsylvania in the case of *American Aniline Products Co.* v. *Lock Haven*, 135 Atl. 726, in which city the plaintiff had located its plant relying upon the inducement of such an agreement.

Municipally-owned water works in Pennsylvania are not subject to the control of the public service commission (*Barnes Laundry Co.* v. *Pittsburgh*, 266 Pa. 24), and the city's power to regulate the rates for the service supplied by it is as extensive as that of the commission over private corporations (*Suburban Water Co.* v. *Oakmount Borough*, 268 Pa. 243), but the city is without power to contract away this governmental right of regulation, and the rates it may establish must be reasonable and undiscriminatory at all times. Therefore, even admitting that the contract for free service was not illegal, the court holds that no rights of the defendant were violated by the imposition of charges for water furnished. A reasonable rate fixed by contract under a clearly delegated power for a definite term not unreasonable in point of time would probably be upheld by the federal courts, on the analogy of the validity of similar rates fixed by franchise, but clearly the agreement to donate service is void under the provision of the state constitution forbidding the grant of any gratuity to a private corporation.

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Traffic Regulations—Exclusion of Solid Tired Vehicles from Certain Streets Upheld.—The court of appeals of the District of Columbia in *Smallwood* v. *District of Columbia*, 17 Fed. (2d) 210, sustained a regulation promulgated by the District traffic manager, to whom the power was delegated by an act of congress, excluding commercial vehicles equipped with solid tires from the use of certain specified streets. The regulation in question was held to be reasonable as it made an exception in favor of such vehicles proceeding to receive or deliver loads to property holders located on such streets. In addition to local decisions, the court cited as precedents *Commissioners* v. *Kingsbury*, 199 Mass. 542, *State* v. *Mayo*, 106 Me. 62 and *People* v. *Waldo*, 131 N. Y. S. 307.

An able dissenting opinion was filed by Acting Associate Justice Halfield, who maintained that the statute giving the traffic manager power to regulate did not carry with it the power to exclude. As a commentary upon the extent of implied powers of a municipality his opinion is well worth reading, but the conclusion that the power of regulation is exceeded when it results in exclusion of non-complying vehicles does not seem to follow as a logical conclusion. The ancient ordinances forbidding the use of any of the city streets by "carts shod with iron" seem never to have been questioned as within the local governmental power. The justice freely admits, of course, that the power could be exercised by congress or conferred by express delegation upon the city officials.

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Ordinances—Reasonableness of Sunday Closing of Bakeries.—In *Komen* v. *St. Louis*, 289 S. W. 838, the supreme court of Missouri sustained the ordinance of the city of St. Louis, requiring the closing of all bakeries after 9 A.M. on Sunday, the power being implied from the general welfare clause of the charter. The plaintiff who sought an injunction against his arrest for the violation of the ordinance claimed that it was invalid as violating his religious freedom and as an unreasonable exercise of the police power. The court held that the implication of the city's power arising out of the grant of corporate existence was sufficient to authorize the enactment and enforcement of the ordinance. As to the claim of unreasonableness, the court points out that the ordinance is more liberal than the corresponding state statute on the same subject that it applies with uniform exactness to all persons of the given class which it favors rather than discriminates against.

In the absence of constitutional or statutory inhibitions the power of municipalities to regulate the transaction of public business on Sunday has been recognized from time immemorial. Among the ordinances of the city of London collected in the *Liber Albus* published in 1419, is found one providing "that barbers shall not keep their shops open on Sunday," and a similar statutory provision has been held to be constitutional in Missouri. Upon the general question of Sunday Labor Laws, the reader may be referred to an excellent article by C. S. Neuhoff published in the February, 1927, number of the *St. Louis Law Review*.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

The Interstate Commerce Commission and Fair Value.—Last month we reviewed the decision of the Supreme Court of the United States in the Los Angeles-Salt Lake Railroad Company, in which the company sought the Supreme Court to invalidate the entire valuation made by the interstate commerce commission under the 1913 Valuation Act. The Supreme Court refused to interfere because the valuation had been made merely as a part of the commission's administrative duties under the law without any actual issue to be litigated. It made clear, however, that any such valuation would be subject to judicial review whenever it formed the basis of a positive order or decision by the commission involving the financial interest of a company making a complaint.

The Interstate Commerce Commission has come along promptly to supply such a case which will test the fundamental principles of the railroad valuation and their application to rate-making and other purposes of the Interstate Commerce Act. In the St. Louis & O'Fallon Railway Company case the commission, on March 31, 1927, issued an order under the 1920 Transportation Act providing for the recapture of excessive earnings and based its findings practically upon the valuation made under the 1913 Valuation Act. The decision will doubtless be contested by the railway company and will be carried to the Supreme Court of the United States. It involves the fundamentals of valuation that must be used both for rate-making and for the recapture of excessive earnings.

THE 1913 VALUATION ACT AND RATE-MAKING

To make clear the issue, we shall state briefly the provisions of the Interstate Commerce Act relating to valuation, rate-making and the recapture of excessive earnings. Under the 1913 Valuation Act the commission was required to place a valuation upon all the railroad properties of the country and after the date of the valuation to obtain regularly "continuation reports" relative to annual additions and retirements of property, also other operating and financial data. The valuation job has been a tremendous one and has been delayed not only because of the immensity of the project but also by the War. For most companies, however, at least tentative valuations have been made, and a "continuation" record has been maintained to show the cost of all additions and the amounts of retirements since the date of each valuation.

The ultimate use of the valuations as thus determined, with the "continuation" reports was not definitely fixed by the Valuation Act. It did show clearly, however, that the purpose was primarily for rate-making, and this was more specifically determined by the 1920 Transportation Act. But even with the latter development, there was no specific direction just how the valuations were to be determined, how used, and in what way, if any, they are to be modified for particular purposes. The law directs the commission to use the valuations for rate-making but yet may be construed to leave as a general standard the "fair value" laid down by the courts for ordinary rate-making. Just how, therefore, to use the valuations in connection with the undefined judicial standards of "fair value" and yet carry out the broad purposes of the Interstate Commerce Act, has been a baffling problem with which the commission has been struggling.

THE RECAPTURE OF EXCESSIVE EARNINGS

The 1920 Transportation Act provided also for the "recapture" of excessive earnings. It provided that rates in general should be fixed high enough by regional groups so as to bring a fair return on the aggregate value of all the railroad properties in each section. But if any company under such rates fixed upon the aggregate value of the group, realized more than six per cent upon the "fair value" of its own property in any year, it is required to pay one-half of such excess to the government and maintain the balance in a special reserve fund. To compute such excess earnings, the commission is authorized to use the valuation under the 1913 Valuation Act and to base its findings upon all elements of value as required by the law of the land. But there is no specific direction how the terms of the statute are to be treated within the general judicial statements as to "fair value."

The particular case appears as a "recapture" case covering the years 1920–1922. The principles of valuation involved, however, are generally regarded to be the same, and the case doubtless will furnish the test before the Supreme Court of the ultimate basis of valuation that must be used under the 1920 Transportation Act in conjunction with the 1913 Valuation Act for the purpose of rate-making as well as for the "recapture" of excess earnings. The commission has determined the excess earnings payable to the government by the company under the "recapture" provisions of the law. While there were other issues involved, the principal point is the basis of determining the "fair value" by which the excess earnings are to be measured. The company claimed the right to measure the excess by the reproduction cost of the properties for each year in question; that "fair value" under the law, as expressed in the various rate cases, is predicated almost exclusively upon reproduction cost at the time of the inquiry.

REPRODUCTION COST REJECTED

The commission refused to take this point of view and except as present day prices are represented in recent additions and in land values, it practically disregarded the reproduction cost factor. It substantially used as "fair value" its valuation of the properties as determined under the 1913 Valuation Act, plus the cost of additions made subsequently, and minus the retirements priced at book or appraisal values, also modifications for accrued depreciation. In this instance the initial valuation under the 1913 Valuation Act was made as of June 30, 1919. The unit prices, however, were those of 1914, as employed uniformly for all railroads under the Valuation Act. But for additions made since 1914, there was added the excessive cost above the 1914 unit prices. The land was valued as of the date of the valuation on the basis of adjoining land values. Then for each of the years involved in the action, the base value was modified according to the additions and retirements reported by the company.

The higher price levels of 1920–1922 compared with 1914, were recognized (1) in the allowance for excessive costs of additions made since 1914, and (2) in the valuation of land on the basis of adjacent land values prevailing at the time of the valuation. For other property, the rise in prices after 1914 was disregarded. In general the commission's view is that the "fair value" for any such case consists of its initial valuation based upon 1914 prices, plus actual costs for subsequent additions, and minus retirements and further accrued depreciation. This presumably will be the base used by the commission in all "recapture" cases and for future rate-making, if it is sustained by the Supreme Court.

The question is whether the commission can carry out its duties on the basis of the single valuation made under the 1913 Valuation Act, with subsequent changes based upon exact records, or whether for every action, recapture or rate-making, it must make a new valuation based upon prices and conditions determined separately for each occasion.

THE PURPOSES OF THE STATUTE

The commission based its decision upon the explicit and implicit requirements of the Interstate Commerce Act. The purpose is directly expressed to provide a system of regulation so as to permit the development of transportation in the interest of the country at large. To this end, the commission assumes that rates must be fixed so as to attract a regular flow of capital to the railroads according to natural economic developments. It believes that this object is accomplished most effectively upon the basis of valuation used and by the methods of administration thus made possible. On the other hand, it believes that the expressed purpose of the statute would be defeated if rate-making and recapture were based upon "fair value" determined according to the reproduction cost of the properties for each occasion.

The commission pointed out that the valuation used would provide definitely for the returns expected by the investors. As funds are invested in railroad developments, the amounts would be included in the valuation, would be definitely recorded, would be supported by rates, and would be included in the base for computing recapture. The capital would get the return expected, and there would be the natural flow necessary for transportation requirements.

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North New Jersey Transit Plans.—The North Jersey Transit Commission was organized under the laws of 1926 for the purpose of further considering the transit problem particularly in relation to connections with the city of New York. The commission issued its report as of February 10, 1927. This report is important not only because it affects the development o large part of the metropolitan area and looks toward a better distribution of the metropolitan population, but also in its discussion of general transit policies particularly with reference to methods of financing and control.

As to the physical plan the report is built upon and is a continuation of the comprehensive report made a year ago by the predecessor commission. The plan in general contemplates an interstate loop which would provide a longitudinal line on the New Jersey side of the Hudson River, would provide extensions under the Hudson River to Manhattan, there would join with existing New York City rapid transit lines, and ultimately would complete a loop service through Manhattan. On the New Jersey side near the middle of the line there would be a general *transfer* station at which passengers would be received from and delivered to the various commuting railroads. Contacts with the commutation lines are also to be made at other points north and south of the general transfer station. For the future the plan is flexible so as to provide for development of rapid transit lines into the suburban territory in New Jersey and to coördinate fully the existing commutation lines. Its object is primarily coördination, and it seeks to avoid duplication and competition with existing facilities.

Perhaps the most interesting part of the work is the financial section. This has been prepared by Philip H. Cornick, a specialist in taxes and assessments connected with the National Institute of Public Administration, and the Bureau of Municipal Research of New York. Mr. Cornick has prepared a study which has a broad general interest apart from the particular project. It is important to everyone interested in municipal transportation, methods of financing, and the problem of public control.

Mr. Cornick's general conclusion is that the only practicable way of financing the proposed transit plan or any modification that may prove feasible, will be in a large part through assessments. The new transit facilities would certainly add greatly to the adjacent property values and the benefits would extend over considerable areas. He believes that the cost of construction should be assessed upon such properties in proportion to the relative benefit. For the successful organization and development of the plan he suggests a special organization similar to the Port Authority established for the specified purpose, with power to issue securities and to enter into such contracts and arrangements as may be necessary to carry out the intended purpose. Such a special governmental unit would doubtless be feasible under the New Jersey law.

In his studies Mr. Cornick made a survey of the financial policies pursued by the various municipalities all over the country in financing transit programs. He also presented an interesting concrete study of the effect that special transit stations and facilities have had upon adjacent property values. His conclusion is unavoidable: that any practicable program must be financed in large part through assessments and that the assessments would be thoroughly justified by the special benefits conveyed upon the particular properties.

The physical plan and the financial studies are extremely interesting and undoubtedly important so far as ultimate future developments are concerned. As for the immediate results, the report leaves one skeptical as to the possibility of speedy realization. On the physical side there are too many railroad companies to bring to agreement; each has its own particular interest at stake. There are also scores of independent municipalities whose respective interests must be unified. As for assessments there can be no doubt that the principle is sound, but its application will prove an extremely difficult matter.

There is, however, the final difficulty which the report practically ignores as if it were nonexistent. It seems to be assumed that, of course, the full coöperation of the city of New York will be obtained in providing not only the connections with the existing rapid transit lines, but also to furnish the way for a special commuter line through Manhattan to complete the interstate loop. This assumption appears rather visionary at least so far as immediate realization is concerned. New York has difficulties almost insurmountable if it is to come to agreement with itself in regard to new rapid transit lines to be constructed and in regard to the future organization of existing lines and their coördination with the new lines. Agreements with the North New Jersey municipalities as proposed certainly is a matter of some distant future. There is also the point as to the effect of the New Jersey plan upon the city of New York. Undoubtedly the proposed system, if carried out, would have a profound influence upon the redistribution of population and upon property values in New

York City. The New York authorities, therefore, would regard most carefully any arrangements with other territorial units as to the effect upon their own transit plans and upon the real estate values which are basic to their plans.

To one interested in sound economic and political organization, the plan proposed certainly points in the right direction. It is unfortunate that the great metropolitan section cannot be treated for transit and other important functions as a unit. The present demarcation between states and municipalities, however, does exist and forms an almost insurmountable obstruction to the desirable economic developments that are sorely needed. While the New York Port Authority which was organized for the purpose of obviating these difficulties has undoubtedly accomplished excellent results, its experience in dealing with the various private interests affected, the two states, and the different municipalities, has encountered much disagreement and certainly indicates the difficulties with which any broad-gauged metropolitan rapid transit program is confronted.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Secretary

Buffalo Municipal Research Bureau.—A movement of several years' standing culminated in the establishment, in March, of the Municipal Research Bureau of Buffalo. The director of the new bureau is Harry H. Freeman, formerly city manager of Kalamazoo, Mich., and more recently a staff member of the Rochester Bureau of Municipal Research.

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Cincinnati Bureau of Municipal Research.—*Administrative Code.*—The major interest of the staff for the last two months has been the preparation of a report on the administrative code. This code, as defined by the recently adopted charter, is to set up the administrative structure of the city government—that is the departmental and bureau organization. The bureau was requested by the city manager to submit its recommendations, and a report thereon has gone forward to the city manager. This report not only discusses the content of the administrative code, but suggests a set-up for the whole municipal code of ordinances of which the administrative code will be one chapter.

The report proposes a new departmental organization and assigns the duties and powers of each of these departments. The reasons for the changes are described in the body of the report, and the actual preliminary draft of the administrative code is attached in an appendix. The bureau is now coöperating with the city solicitor in the final draft of the code.

Improvement Program.—Some months ago the question of an improvement program was discussed in a preliminary way with the result that City Manager Sherrill and Councilman Rose were appointed a sub-committee to suggest a plan of procedure. These two officials in turn requested the director of the bureau and the engineer of the City Planning Commission to submit their recommendations. These recommendations have finally been submitted and are to be acted upon at an early date. If the recommendations are acceptable, the city will coöperate with the county and school district in the formulation of a five year capital budget. The report contains definite recommendations as to how this program shall be prepared, how it shall be brought to the attention of the various legislative bodies, and how it is to be amended from time to time. The objective has been one continuous planning, rather than a set, rigid program immediately translated to a large bond issue.

County Prosecutor Taft has requested the bureau to undertake a survey of criminal justice. The bureau has agreed to this request, and a preliminary program has been adopted. In a general way the survey will go into the questions of occurrence of crime, the effectiveness of the apprehension process, the procedure in the municipal and county courts, record systems, and certain social studies. The first approach will be through a statistical analysis of the court process, for which Dr. C. E. Gehlke, Western Reserve University, has been employed as consultant. The second phase of the study, shortly to be undertaken, will consist of case studies of typical offenders.

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Taxpayers' Research League of Delaware.—The League has published in printed form its report showing that there is in the state sinking fund a surplus of $1,064,000, and that by utilizing the surplus to cancel certain state highway bonds, $2,732,000 can be saved to the revenues of the State Highway Department during the remaining years in which these bonds would otherwise run.

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Detroit Bureau of Governmental Research.—*Race Conditions.*—The Mayor's Committee on Race Relations of Detroit has just made public a brief summary of findings and recommendations based on a survey of race conditions in the city undertaken in 1926. This summary has been reprinted as *Public Business No. 108* by the Detroit Bureau of Governmental Research. The summary report itself is based on a comprehensive study entitled *The Negro in Detroit,* which was prepared by Forrester B. Washington of Philadelphia, and Prof. Robert T. Lansdale of the University of Michigan, under the general direction of the Detroit bureau. The mimeographed report is in twelve sections, covering introduction, population, industry, thrift and business, housing, health, recreation, education, crime, religion, community organizations, and welfare.

Pensions.—Detroit is experiencing the difficulties that usually attend retirement funds created by charter amendment or statutory enactment made without due consideration for the financial aspects. The Detroit funds now provide for the pensioning of substantially all employees. Part of them are on a contributory basis, and part are not; but even with the contributory funds there is small correlation between the demand and the resources available. Sometime ago the pension committee of the Detroit Board of Education requested the bureau to make a detailed study of the teachers' pension fund, bringing up to date a previous actuarial study that had shown a staggering deficit. This study has been completed. The mayor has now informally requested the bureau to extend its study to all pension funds, and the other civic organizations of the city have promised their support in placing these funds on a sound financial basis.

Debt Settlement.—In view of the numerous annexations to the city of Detroit, it would be natural to expect some difficulty in reaching a financial settlement between the city and other units of government which have lost portions of their territory. In consequence, the bureau has been invited by the controller's office and other affected governments to act as an arbiter in certain of these difficulties. Two reports have been prepared, submitted and accepted, dealing respectively, with a debt settlement between the city of Detroit and Redford Union District No. 1, and between the city of Detroit and Rural Agricultural School District No. 1 of Grosse Point Township.

Bond Budget.—The Detroit bureau has been endeavoring to lay the foundation for a bond budget for the city of Detroit, thus practically completing an otherwise satisfactory city budget procedure. In consequence, the mayor appointed a committee on municipal finance in 1925, which prepared a ten-year financial program dealing with all public improvements. This program received wide attention from the press, but was not officially adopted by the common council. Again, in 1927, the mayor reconvened this committee and appointed additional members for the purpose of making such modifications in this program as a lapse of time had warranted. Owing to the injection of a rapid transit dispute, on which the committee took a definite position, the bond program aspects of the committee's work received relatively small attention. However, the report is being published by the bureau as an issue of *Public Business*, and Mr. C. E. Rightor of the bureau's staff has in preparation a brief pamphlet on the methods employed. At the request of the committee, Mr. Rightor served as secretary for both studies.

Special Assessments.—If the experience in Detroit is any criterion, considerable attention should be given by the research group to a study of the levying of special assessments and the financial treatment of special assessment sinking funds. Some years ago it was noted in Detroit that the city was charging property owners only 4 per cent on deferred payments on special assessments, although the bonds sold required from 5 to 6 per cent interest. In consequence, an audit of the special assessment sinking fund made by the bureau indicated a deficit of about $750,000. This amount was placed in the budget by a former city controller, but on the earnest representations of the bureau was stricken out by the mayor. The bureau asserted that this deficit would not need to be met as long as the city continued to issue special assessment bonds in large quantities, and that an increase in the interest rate from 4 per cent to 6 per cent would automatically cancel the deficit in due time. The rate on unpaid installments was increased to 4 per cent. At the request of the controller, the bureau is now auditing the fund to determine to what extent the deficit has been reduced by the measures taken.

City Real Estate.—At the request of the mayor, the bureau has recently made a study of all property owned by the city of Detroit. It was found that no complete list existed, either with the board of assessors, or the department of public works. However, a list was compiled, which is believed to be substantially correct. It was found that 494 parcels were in use, and 61 parcels were not in use. The bureau interviewed the department heads and suggested that these 61 parcels be disposed of by transfer to other departments, or by sale, as might be agreed to by the mayor and council. In the current budget the mayor included as a receipt the sale value of a substantial portion of these parcels. The council concurred in the disposition of properties valued at about one-half of the budget item.

Purchasing.—For about six months the bureau has had one staff member delegated to the office of the purchasing agent working on a classification of purchase supplies and coöperating in the standardization of these supplies. Incident to this work, it is expected that complete inventories will be taken and that all supplies and equipment of the city will be placed under accounting control and appear as a balance sheet item of the city. In this same connection, it is proposed to place all city properties under control following the inventory made by the bureau, thereby making possible a complete balance sheet except for sewers and paving.

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Taxpayers' League of St. Louis County (Duluth).—Much time has been devoted to legislation affecting Duluth and St. Louis county now under consideration by the Minnesota legislature. A model bond law has been passed by the legislature which is closely patterned after the model law of the National Municipal League. A bill which would establish a commission to review all tax levies and bond issues has been introduced. This bill is sponsored by the governor and the house committee on taxes and tax levies. The plan corresponds closely to the Indiana Plan with the additional provision that a decision of the State Tax Commission can be over-ruled by a referendum vote of the people. Due to the lateness of the introduction of this bill, it is probable that it will not be passed this year.

Street Improvements.—The Taxpayers' League has been urging the city to adopt a pay-as-you-go program for financing street improvements. Under the Duluth charter the city is required to pay approximately 20 per cent of the cost of all street improvements, and for the last several years this payment has been met by the issuance of bonds. The point has been reached where taxpayers are called upon to pay out more in interest and principal payments on these bonds than they borrow. To remedy this situation the league urged a direct tax levy, and this proposal was accepted by the voters at the spring election held April 5.

Police Manual.—After considerable delay, the police department has finally adopted the police manual prepared by the Taxpayers' League several months ago.

County.—The league is making a study of county road expenditures and the purchasing methods now employed by the county commissioners.

Legislation.—Studies that have been made in connection with the state legislature concern rural high schools, county hospitals, state trunk highway expenditures, mothers' pension, and state aid to schools.

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Kansas City Public Service Institute.—*County Government.*—This institute has just finished a report on the general organization of the county government of Jackson county, which includes Kansas City. The principal suggestion was that the county court (county commission) appoint a commission to draw plans for revision of the county government and to prepare the necessary legislation for submission to the next session of the Legislature. The county court has announced that it will appoint such a commission. The institute will probably do a great deal of work with this commission during the next two years.

The government of Jackson county has the same type of organization that is found in most states—that is, a large number of independent elective officers only indirectly responsible to the central body—the county court. Fortunately, in Missouri, reorganization can be accomplished very largely without constitutional amendment. At present, the plan is to accomplish as much as possible by a statute, and after that is done to endeavor to secure further revision through amendment of the constitution.

The institute is also making a detailed study of the welfare activities of the county government, including all the county institutions. This work will not be completed for some time.

City Finance.—A report summarizing the financial condition of the city and illustrating the necessity for careful financial planning has been prepared and will be used primarily to persuade officials and other organizations to help prepare a ten-year program. The principal difficulty will be in financing necessary improvements. A tax rate increase of 1¼ mills has been recommended by the city manager to meet additional requirements for debt charges. Even this increase is only about one-half enough. To take care of present deficiencies, and at the same time to provide for capital requirements for the next ten years, is quite a problem.

School Bonds.—A proposal for an additional school bond issue has been analyzed to determine the necessary tax rate. In connection with this, a preliminary study has been made of the building requirements for the next ten years.

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Michigan Tax Economy League.—A research bureau and taxpayers' league known as the Michigan Tax Economy League has recently been organized for the state of Michigan. The main office will be at Lansing, the state capital, and a branch office will probably be maintained in conjunction with the Detroit bureau at Detroit. Mr. L. E. Rowley has been engaged to act as secretary and negotiations are under way for a director.

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The New Bedford Taxpayers' Association.—In consulting with the mayor in regard to the budget for 1927, it was thought advisable to have the association make some detailed studies of various departments in coöperation with the departments themselves. It is planned to begin these studies with the health department. It is the practice of the association to report on studies directly to the board which controls that department, and only in exceptional cases will any general publicity be given to such report.

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Institute for Public Service (New York City, as submitted by William H. Allen).—The Institute for Public Service has given chief attention to reports by two official committees, one state, one city, on educational finance and teacher salaries. We have tried to get before the public the fact that the Friedsam Commission, after showing that the big cities of the state did not need state aid to finance themselves, recommended first year aid of $18,500,000; and that the Mayor's Committee on Teacher Salaries, after concluding that present teacher pay is not too low to secure an adequate supply of teachers in competition with other cities and vocation, recommended first year increases estimated at $14,000,000, which Associate Superintendent Mandel says would cost nearer $20,000,000 next year and $32,000,000 in a few years.

New York's voting an indirect state tax equivalent, in three years, to $1,500 per unit of 27 elementary pupils and $1,900 per 22 high school pupils, six tenths of a mill on full valuation, and New York City's seriously considering $4,092 for elementary teachers holding a master's degree will undoubtedly "start something" in every state. Constitutional guarantees against high local taxes are beginning to shrink in stature when taxpayers see how easily officials can invent indirect taxes without conditioning their use.

To test leaders' ideas of what best teaching and influencing are worth, a return post card was sent out with fourteen check-in statements. First returns indicate that plain taxpayers think $4,092 too high for elementary and junior high teaching while professional researchers and civic workers incline to think it about right.

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San Francisco Bureau of Governmental Research.—*Salary Standardization.*—The classification of all city employees for salary standardization purposes by the civil service commission of San Francisco, which was made possible by a charter amendment drafted by the bureau in 1924, and on which some unproductive work was done in 1926, is now to be re-started with the bureau actively participating. Everett J. Gray has been engaged by the bureau for this assignment. An agreement has been reached between the civil service commission, the finance committee of the board of supervisors, and the bureau as to policies and procedure, which it is hoped will produce scientific classification.

Budget Procedure.—Considerable progress is being made by the bureau in obtaining improved budget procedure for the city's 1926–27 budget, which must be adopted in June. For the first time, various departments are to submit budget requests segregated according to organization units. The bureau has been requested to coöperate with the city attorney in drafting a budget procedure ordinance to make possible a completed budget, including estimates of revenue.

Accounting.—The bureau has been instrumental in improving the accounting control procedure of the auditor to make it possible for the auditor to submit monthly statements to the finance committee of the board of supervisors showing the condition of all budget items, unencumbered balances, unexpended balances, and transfers.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY W. E. MOSHER

Business Management in Government.—A conference called by the Institute of Public Administration was recently held in London to discuss management of office staff and promotion policy. The peculiar feature of the conference was that papers were presented by representatives of industry, local government and the central government. Representing industry was the comptroller of an electrical organization and the organizing secretary of the Rowntree. The council was organized in the belief that principles effective in one type of industrial management would be of value to the governmental authorities.—*Monthly Notes*, February, 1926.

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Educational Opportunities.—The Program Committee of the Whitley Council presents a report on the work of the 1925–26 session as well as the announcement of courses for the coming year. It appears that 4,258 students were enrolled in the classes carried on under the auspices of the Civil Service Educational Council.

These students are accommodated in government offices and in the London County Council schools. Many of these classes occur immediately after official duties cease. The administrative officials coöperated in a very generous way.

The curriculum to be covered in the session is very comprehensive, offering courses in accountancy, economics, law, English, economic geography, history and the like. On the cultural side one may study the important European languages as well as Latin and also art appreciation, elocution and drama, practical psychology and similar courses.—*Whitley Bulletin*, January, 1927.

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Uniform Valuations.—An act passed in 1925 by the English Parliament provides for the development of uniformity in valuations for purposes of local taxes throughout England and Wales, and a preliminary report by a special committee has been made to the minister of health. According to this report there are upwards of 9,000,000 separate property units subject to taxation of which number some 8,000,000 are dwelling houses. The total value of these properties exceeds 370,000,000 pounds. Heretofore 14,000 separate authorities have determined valuations and their decisions have been subject to appeal to 600 committees.

In addition to the above, there are separate valuations for county purposes and in some cases for borough purposes. Furthermore, the revaluations have taken place at different times so that a variety of value levels are represented.

According to the recommendations of the committee lists are to be prepared in the future by only 717 authorities who will represent all units including the borough, urban and rural districts. Revaluations are to take place every five years throughout the country. Revision will be in the hands of 343 assessing committees and the same values will hold for both county and borough purposes. According to the scheme outlined an equalization committee is to be appointed for the whole county.

Inasmuch as the act recognizes that new valuation lists should be set up, the report emphasizes the importance of thoroughly recasting the lists, urging that existing lists should not merely be transcribed. Rules are further laid down for arriving at gross values and recommendations are made for the employment of professional assessors.

Recommendations of the committee appointed under the act are not compulsory, but as the membership consists of all classes of local authorities it may be assumed that the report will be given serious consideration.—*Local Government News*, February, 1927.

*

Community Singing.—The city of Hastings, England, has just undertaken a novel experiment in municipal life in that it has adopted a program of community singing as a municipal function. The city council engages its own leaders, employs its military band and has set up a schedule for regular performances once every two weeks. The first meeting drew 6,000 people. Popular airs were sung, the words having been distributed in leaflet form among the audience.—*The Local Government News*, February, 1927.

Taxation of Public Enterprises.—A new departure in the taxation of public enterprises recently went into effect in Germany. The basic law was passed in August, 1925. Taxes of two types are provided, the one a corporation and the other a property tax.

The corporation tax specifies that "public corporations engaged in industries and organizations operating under their own legal personality are subject to taxation" with the exception of those engaged: (1) in the execution of public policy, (2) in supplying materials essential to the people, that is, without which their needs could not be satisfied, (3) those engaged in welfare and charitable activities, and (4) ecclesiastical institutions.

In explaining the type of organization that may be grouped as tax free under the foregoing list of exceptions, a distinction is made, for instance, between the electrical and gas works to which the people must turn for supplying their wants in these two directions, and the sale of electrical and gas appliances. The latter is subject to taxation.

A review of the ways in which this tax is to be applied or not applied goes to show that practically all of the enterprises which do not compete with private corporations are freed from the corporation tax and those which do compete are subject to it. This tax is the outcome of an effort made by industry and trade to put public enterprise upon an equal footing with private.

This same law declares that financial institutions owned and managed by governmental units are subject to the property tax except for a series of banks that obviously serve a general public purpose. The same principle applies here as in connection with the organizations of an industrial or commercial character.—*Preussisches Verwaltungs-Blatt,* February 26, 1927.

*

Municipal Movies.—The communes in Norway have been successfully exploiting the cinema for their own purposes. This expansion of municipal activities is to be charged to three tendencies: (1) a desire to improve the character of the cinema, (2) the eagerness of socialists to nationalize private undertakings, and (3) participation in the financial benefits derived from motion pictures.

At the end of 1926 the communes had taken possession of 120 establishments of a total number of 252. The amount taken in has risen to 12,250,755 kroner, which sum far exceeds that taken in by private motion picture theatres.

A considerable part of the profits which accrue are utilized for social purposes such as libraries, education, and vacation colonies.

A Norwegian Federation has already been organized so that better financial arrangements may be made in the procuring of films. Plans are even under way whereby this federation will undertake the production of films.—*Les Sciences Administratives,* March, 1927.

NOTES AND EVENTS

Race Relations in Detroit.—As a consequence of serious race difficulties in Detroit in 1925, a mayor's committee on race relations was established. This committee has recently issued an extensive report, the survey on which it is based having been made by the Detroit Bureau of Governmental Research. As doubtless would be expected by persons conversant with race relations generally, the findings run counter to some strong popular beliefs and prejudices.

Since the World War the colored population of Detroit has grown 800 per cent. Naturally such a rapid expansion has created new social problems, problems which frequently arise through ignorance and prejudice. Thus the report states that contrary to general belief there has often been no loss of real estate value in white residential sections into which colored population has filtered. In many cases indeed the rentals and sale prices have increased. Frequently when property depreciation does occur it is due to the popular expectation that it will occur and to neighborhood hysteria.

It is commonplace that municipal public services are poorly maintained in negro districts; but the mayor's committee believes that, when they are accorded equal sanitary, educational and public works facilities, there will be a more general tendency for the colored population to remain within their own districts and that, when they do move out into new parts, property valuations will not suffer.

The committee agrees that the percentage of negro crime is higher than the average crime rate of the city. Undoubtedly, it states, this is due in part to the incomplete adjustments of the recent immigrants from the South to northern environment. The committee finds, however, that negroes are often treated with undue severity, not to say brutality, by the police. Many police believe that negro criminals offer a special peril which justifies shooting at sight, but this is not borne out by the facts.

The report compliments the department of recreation for its excellent record of service to the colored people and upon its success in keeping race friction in the use of the department's facilities at a minimum; and hopes that its report will result in a permanent race commission for the smoothing out of social difficulties.

The report is an important contribution to the solution of a problem more aggravated in northern cities than ever before and will be reviewed in greater detail in a later issue.

⁂

Report on New York Subways.—The tenor of the latest report in the series by the New York Merchant's Association on the complicated rapid transit situation in that city is clearly expressed in its title, "Subway Consolidation Necessary for Adequate Service and Economy."

The report asserts relief is needed before expansion and that real relief can be provided by constructing a few short connecting links, permitting full use of capacity now wasted, and building a trunk line subway from the Bronx to Brooklyn through Third Avenue. This plan would give more relief than the proposed independent city system because it makes available much more trunk line service instead of maintaining a disproportionate amount of feeder lines, and does it at about $300,000,000 less cost. The report unsparingly condemns the plan for an independent competing city system, and points out that, since the laws of the state make compulsory on the new lines projected by the city an ultimate rate of fare sufficient to cover all costs, "the excess outlay for the city's plans would compel a fare increase almost twice as great as that required under consolidation plans which would supply more service."

The city and subway operating companies are urged to begin negotiations immediately upon a consolidation plan providing fairly for all conclusively demonstrated equities and in the meantime to enter into such tentative operating agreements as would enable the city in letting its contracts to proceed with a definite plan of consolidation clearly in mind.

The report also suggests plans for expansion after the relief program is in effect by a Brooklyn crosstown trunk line designed for extension into the Bronx and Staten Island and a Queens Borough trunk line from Jamaica to Eighth Avenue.

The keynote of the report is, however, the logical demonstration that the five cent fare must be increased and that persistence in the independent system advocated by the five cent fare group will inevitably mean a greater increase than if consolidation is adopted.

George H. McCaffrey.

Michigan Commission on Criminal Procedure Reports.—In its report the commission accepts the crime wave as a fact and to meet it proposes a simplified criminal procedure. If adequate punishment follows the procedure outlined it is promised that the wave will abate. The high spots in the simplified procedure outlined by the commission include a provision that the accused may waive a jury trial if he sees fit; a constitutional amendment making conviction possible by less than a unanimous verdict of the jury; a measure directed at the professional bondsman by authorizing a court to refuse as surety anyone who is already on a bond in the court; and the requirement that notice be given if the defense is to be insanity or alibi, with names and addresses of witnesses.

The appearance of the accused on the witness stand has been a source of much discussion lately and the proposal for Michigan permits comment on the failure of the accused to take the stand and allows the court to comment on the testimony and character of witnesses. The commission also points out that the accused possesses no constitutional right of appeal and asserts that the appeal should be entirely discretionary with the supreme court. Accordingly its proposal permits the appellant the full right of presenting his case to the supreme court for its consideration, and if the court decides that the appeal is justified the entire record may be examined. But if the supreme court decides in the negative no appeal may be had.

At this writing it is too early to predict what fate the new criminal code will meet in the legislature. It seems probable, however, that it will pass with the elimination of the proposal restricting appeals to which there has been considerable objection.

✤

Arizona Again Attempts Statutory Reorganization.—During the 1927 session of the Arizona legislature, Mr. Elijah Allen, a member of the house, introduced a bill to provide for the reorganization of the state administration. This bill was practically identical with a bill introduced in 1921 proposing a plan of reorganization outlined by the New York Bureau of Municipal Research. The recent bill provided for the creation of eight administrative departments as follows: military affairs, finance, agriculture, public welfare, public works and buildings, reclamation and irrigation, education and registration, and labor and industry. Each of these departments was to be administered by a single commissioner appointed by the governor with the senate's approval and serving at the pleasure of the governor. Thirty-four existing administrative agencies were to be abolished and their functions consolidated in the proposed departments. The powers and duties of these departments were briefly outlined in the bill.

The proposed bill passed the house, but was defeated in the senate. It is interesting to note that the 1921 bill was approved by the senate, but defeated by the house. There were no objections raised to the provisions contained in the present bill by either house. It is claimed that the senate refused to pass the bill largely because of a lack of confidence in present governor who would carry the reorganization plan into effect.

A. E. Buck.

✤

New York City Cuts a Salary Melon.—Budget making is always attended with considerable rush and hurry in New York, and in the last two years it has been found convenient to eliminate all discussion concerning salary increases during the making up of the budget and to include in that document a lump sum of a million or two for the increase of the "underpaid." This sum is distributed later after the budget has gone into operation. This practice has several interesting and curious advantages. For one thing, it enables the director of the budget, an old fashioned Tammany district leader, to give applications for increases a careful scrutiny. Secondly, the process usually consumes several months so that the city saves two or three hundred thousand dollars, which is thus available for other purposes not anticipated in the budget.

The first occasion to put such a lump sum salary melon into the budget was in October, 1925, when the budget for 1926 was being prepared. The primary campaign had lasted almost until the time the budget was due, so that it proved convenient to include in the budget $1,000,000 for wage adjustments. Inasmuch as this sum was promised for the "underpaid," it was rather difficult for outsiders to object to its inclusion without incurring the ill-will of the many thousands of "underpaid" city employees, and the department totals were not increased.

The new director of the budget did not take office until January 1, 1926, and he was busy until May preparing to distribute this salary money. Finally, on May 7, he appeared with a proposal to distribute $672,000 to a list of some 5,000 employees. The salary increase incidentally dated from July 1, and not from January 1, as had been the original proposal. The list included, in addition to "underpaid civil service" workers, a group of "exempt" employees, many of them Tammany district leaders, who received substantial increases ranging from $500 to as high as $2,500.

The 1927 budget included $2,500,000 for wage adjustments—$1,000,000 for the clerical forces, and $1,500,000 for the per diem labor force. The director of the budget's report on allotment of increases was adopted without change by the board of estimate on March 31. Again the administration economized by saving two months of these salary increases, amounting to over $200,000. This time the treatment of those "exempt" from the merit system was even more generous. Seventeen Democratic district leaders found their way to the director of the budget's roll—eight of these from the Tammany organization and the rest from the Brooklyn and Bronx organizations. Besides these leaders, many active party workers are on the list for increases of $500 or $1,000. All told, 300 of the "exempt" employees found favor with the director of the budget, many of whom had been included for substantial increases the year previous. This number represents increases for 10 per cent of the "exempt" employees. On the other hand, employees within the merit system to receive increases number 8,200—barely 1 per cent of the 75,000 merit system employees of the city. Nor should the inference be drawn that those in civil service to receive reward were unknown to political activity. J. J. M.

✣

New York Police Commissioner Resigns Following Raids on Gambling Clubs.—Tammany is experiencing some of the uneasiness that is believed to attend regal heads. In more complete control of the city than ever in the last thirty years, it is none the less disturbed from time to time by its own domestic problems. Nor is its membership entirely in agreement with respect to the policies and program for its future. There is a conflict between the old Tammany and the new. The new Tammany attributes the present prosperity to a restrained leadership, to political honesty rather than the wise use of plunder. The older group is perhaps less far-sighted.

Recently the organization has been disturbed by the gambling raids which Police Commissioner George McLaughlin made on various political clubs in the city. His first raid was on the Woodstock Democratic Club in the Bronx, within three days after he took office. Later in the year he astounded press, public and politicians by raiding three of the oldest Democratic clubs in the city, presided over by some of the most powerful district leaders in the Tammany organization.

The latest outburst was a raid upon the club of Alderman Peter J. McGuinness' People's Regular Democratic Club in the Greenpoint section of Brooklyn. Alderman McGuinness, though not a particularly powerful leader outside of his own bailiwick, is one of the most colorful figures in the politics of the city.

One or two minor raids followed, and the press was full of stories and rumors of huge raids that were impending. The commissioner in a newspaper interview announced that gambling was one of the keys to the crime problem. The papers printed stories about huge dice games that floated over the city, alighting now at this club, now at that, with profits of $1,000 or $2,000 a night to the club leader hosts. The mayor and Judge Olvany, the "boss" of Tammany Hall, announced that they would stand by the commissioner, though one of the papers reported the "boss" of the Bronx to have said that he would have no raiding of clubs in his borough.

Suddenly, on March 29, Commissioner McLaughlin received a handsome offer from Mr. Mackay's Postal Telegraph concern and resigned! The public was assured that this resignation had nothing to do with any of the aforementioned events (the new salary is reported to be $75,500 a year), but it is a little hard to dissociate.

The passing of Commissioner McLaughlin was much lamented in business circles and in the press. Many regard him as perhaps the finest police commissioner New York has ever had. His resignation was coupled in the press with the announcement that his successor would be Joseph A. Warren, former law associate of Mayor Walker and active in Tammany politics. Mr. Warren represents the first Tammany man to be police commissioner since Deputy Tom McAvoy in the Van Wyke administration. Incidentally, he comes from the district which McAvoy presided over as district leader.

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THE LEAGUE'S BUSINESS

The 1927 Convention will be held in New York City, Thursday and Friday, November 10 and 11. The Governmental Research Conference and The National Association of Civic Secretaries will meet at the same time and place. This will be the League's thirty-third annual meeting.

It is planned to make this year's meeting as intimate and helpful as possible. Most of the sessions will take the form of round tables, three or four probably running simultaneously. The purpose is to give those interested in particular fields an opportunity to become better acquainted with each other and to sift the subject matter to their hearts' content.

Budget Practice will be the topic of one round table. This will be in the nature of an adjourned meeting of the Budget Conference which met in New York under League auspices in 1926. A feature of this round table will be consideration of the report of the League's committee now engaged in preparing a model municipal budget law under the chairmanship of our treasurer, Mr. Carl H. Pforzheimer.

Other round table topics which have been suggested are:

County Government (with particular attention to county home rule).
Government of Metropolitan Regions (with particular attention to report of the League's Committee on the subject).
Is Non-Voting a Menace?
Summary Justice for Minor Offenders.
Municipal Income Taxes.
Public Utilities and the Valuation Dilemma.
Recruitment for Municipal Service.
College Instruction in Municipal Government.
Powers of City Planning Commissions.
Plans for Traffic Relief.
Long Term Financial Programs.
Is Population Congestion Necessary or Desirable?

The Secretary will appreciate other suggestions. Write him telling which of the above you approve and what other topics you would like to see on the program.

*

A New Committee on Federal Aid.—The executive committee at its last meeting authorized the creation of a special committee to study the subject of federal aid to the states. Professor Austin F. Macdonald of the University of Pennsylvania has been named chairman of the committee. The other members will be announced in our next issue. Professor Macdonald has just completed a year of travel and research in a study of the results of the federal aid thus far extended.

*

The Assistant Secretary, G. R. Howe, is taking a well earned six weeks' vacation in England.

*

The Municipal Administration Service, operating under the auspices of the National Municipal League and the Governmental Research Conference, has issued a second pamphlet in its series of publications in administration. It is entitled "Preparation and Revision of Local Building Codes" and was written by George M. Thompson, secretary of the Building Code Committee of the United States Department of Commerce.

NATIONAL MUNICIPAL REVIEW

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EDITORIAL COMMENT

The people of New Jersey will vote in November on a constitutional amendment authorizing municipalities to adopt zoning ordinances. Readers will recall New Jersey as the horrible example of a state whose courts have been consistently in the negative respecting the broader aspects of zoning.

⁂

"Learn to defend yourself with your fists," says City Manager Sherrill of Cincinnati in a recent address to newly appointed substitute patrolmen. "Nothing gives such a feeling of self-confidence," he continues, "as skill in boxing."

⁂

Buffalo playgrounds provide only eight per cent of the space necessary for its 128,000 school children, according to a statement of the Buffalo City Planning Association.

⁂

Mayor James A. Dahlman was last month elected to his seventh term as head of the city government of Omaha. It was a clean sweep for the mayor, the other six candidates whom he supported for commissioners also being elected. Dahlman has been mayor of Omaha continuously since 1906, with the exception of one term from 1918–21, when the reformers drove him into temporary political exile. But the high minded so completely alienated popular support during their brief term that the people have accepted Dahlman gladly ever since. Readers who wish to learn about this unique personality should turn to the Review for last February to the article by Mr. Showalter.

⁂

The value of an alert taxpayers' association appears in the activity of the Taxpayers' League of St. Louis County (Duluth), described elsewhere in this issue, by which the cost of a new city hall was reduced from $1,750,000 to $845,000. The city officials, having been convinced by the League that the proposed plans were extravagant and the expenditure unwarranted, held an architectural competition for the design of the new building. On the basis of the new plans the cost will be only $845,000. It is to be of monumental appearance faced with granite and will be thoroughly adequate for all needs.

⁂

It has been the biennial custom of the Delaware legislature to pass a "claims bill" appropriating to various public officials, as well as to private individuals, money for various "moral" claims against the state for which no regular appropriation is available. The newly organized Taxpayers' Research League of Delaware conducted an investigation into the items in this year's bill. It revealed that each member of the legislature was allowed ten cents a mile from his home to Dover and return for each of the sixty-four legislative days of the session; that to this mileage had been added for each member $40 salary in excess of the constitutional limit; and that each member of the budget committee was allowed $300 special compensation in addition to his salary. Other interesting items were disclosed by the investigation. As is explained elsewhere in this issue, the governor, within one hour of receiving the League's report, approved items amounting to $30,000. Twelve other items aggregating more than $6,000 were disapproved.

*

California Court Upholds Set-Back Lines The California district court of appeals has sustained, as a reasonable exercise of the police power, an ordinance of the city of Los Angeles requiring all future buildings to be set back of established lines. The case involved a garage which the plaintiff wished to erect nearer than thirty feet (the set-back line in this case) to the street. The court in its opinion supported set-backs as an element in zoning and asserted that the city council may have concluded without injustice to the plaintiff in the case under consideration that the public welfare was best served, and danger from fire and street traffic lessened by the ordinance.

Although the decision is not one from the highest court in California, it will be welcomed by city planners as of the utmost importance. Until recently the courts have indicated an unwillingness to sustain set-back lines under the police power, holding rather that they could only be established by eminent domain. Thus while side and rear-yard provisions seemed secure, front yard provisions were insecure because of a seemingly less direct relation to public health and welfare. It is possible now, however, that the principles of zoning are so well understood and approved that set-back lines will encounter decreasing resistance from our conservative judicial bodies. The courts of New York and Ohio have already expressed their approval of set-backs and other states may be expected to follow suit.

*

What Was the Real Issue in the Chicago Campaign? Dr. Gosnell, writing in this month's issue on "Big Bill's" election as mayor of Chicago, points out one fact which has been generally overlooked in the bluster and demagoguery of Thompson's campaign. It is that the value of traction securities began to rise the day after election.

Although Mayor Dever's proposed solution of Chicago's transit difficulties was rejected by the voters at the cost of some prestige to himself, transportation matters did not figure prominently in the campaign. In fact, Thompson did not deign to divulge anything regarding his own transit plans.

The immediate rise in transit securities does not establish the fact of a deal between Thompson and the traction interests, although (as Dr. Gosnell states) his newly appointed corporation counsel had been connected with utility interests. But Dever had displayed some militancy in favor of municipal ownership and a close deal with the traction owners. His plan was not all that many people desired but was considered by some as the best bargain which the mayor, hedged about by legal restrictions, could drive. Thompson, on the other hand, is muddle-headed without any record of concrete accomplishment—except ability to be elected to public office in Chicago—and the traction interests know that if they can't control him, they at least need fear no aggressive program inimical to their private interest. Nevertheless, it may indeed be true that the people of Chicago will learn that rapid transit was the real issue of the campaign.

It is possible that Thompson's disgraceful campaign measures up to the level of his intelligence. Yet the present writer is inclined to credit him with a certain amount of shrewdness in selecting the ground on which he chose to fight. How many candidates would have had the courage—although effrontery is probably a better word since it means impudent transgression of the bounds of decorum—to wage a campaign on such a low level? Wouldn't most of us have considered it necessary to throw a measure of idealism, or at least a semblance of civic virtue, into the contest?

⁂

Cleveland Dallies With Charter Revision

At least six proposals for amending or rewriting the Cleveland charter are being actively discussed. The first proposal is that of Harry L. Davis, former mayor of the city and governor of Ohio. It provides for an elective official to be called a city manager but to be in reality a mayor, a council of thirty-three members elected by wards and the abolition of proportional representation.

A second proposal, sponsored by George B. Harris, calls for an elected mayor with a council of thirty-three, one from each ward to be chosen on a preferential ballot, locally known as the Mary Ann ballot. It would require that only residents of the city should be eligible for office. Another proposal, coming from Carl D. Friebolin, merely abolishes proportional representation and restores the old council elected by wards.

A fourth proposal comes from Councilman Peter Witt and provides a mayor and council of nine to be elected by proportional representation. Mr. Witt's plan calls for the appointment of a director of civil service instead of a civil service commission. In this last respect it is somewhat similar to the charter amendment defeated at the polls in April.

The fifth proposal comes from Fred W. Thomas, clerk of the council, and contemplates a council of twenty-five members elected from four districts by a plurality vote, with a city manager chosen as at present but with the term of councilman extended to four years and the salary increased to $2,400 per year. The Witt and Thomas plans both provide for the abolition of the city plan commission.

In addition to the foregoing specific propositions, an ordinance has been introduced in council to submit to the people the question of rewriting the entire charter. Under this arrangement a charter commission of fifteen persons would be elected who would submit to the people a complete document. This procedure has the support of the Citizens' League.

It is the Davis proposal which constitutes the greatest threat against the present charter. Davis has always been a vote-getter and many people think he is at present fighting for control of the Cleveland Republican organization. The Davis supporters secured sufficient signatures to bring their proposal before the people, but made the mistake of filing their petition with the board of elections instead of with the council as prescribed by the Ohio constitution. Rather than fight for possession of their original petitions, which the board of elections refused to return, the Davis backers set out to secure new signatures to a new petition. The second petition has not yet been filed.

The Harris petition was also filed with the election board and it is safe to say that under the decision of the Ohio supreme court upon the Davis petition, the Harris proposition cannot be voted upon in its present form. Sufficient signatures to bring the Friebolin proposal to vote were filed with the city council on May 13.

The Witt proposal was introduced as an ordinance in council and the Thomas proposal is still only in the discussion stage. Whether any plan for charter amendment will prevail seems at this distance to be doubtful. Although assuming threatening proportions the Davis proposal lacks the support of those in control of the Republican organization. The latter seem satisfied with the present charter, at least they will countenance no change which will put Harry Davis in the saddle.

*

Country Health and the Automobile A city resident can no longer depend exclusively upon his municipal health department for protection against the ills that flesh is heir to. The automobile has brought us the roadside lunchroom, the camping ground, and the comfort station, all of which depend upon the patronage of city people for support. Within the city such facilities are rigorously inspected and controlled. In the country they generally escape even the most cursory inspection. Indeed they have become a menace to the national health.

Highway sanitation must therefore become a prominent part of our public health service. County health departments may assist but ultimate reliance must probably be placed upon the state health agencies.

With respect to rest stations, the Missouri highway commission, coöperating with the state board of health, has put into force a plan which should commend itself to all. A set of specifications has been drafted for three grades of comfort stations. Grade A stations are being urged wherever possible and will be practically the only type along the more important routes. Along the less important highways a large number of B and C types will be permitted for the present. The purpose of the specifications is to secure safe water supply and sanitary toilets for the travellers.

Comfort stations which meet the specified requirements receive a standard sign which is placed upon the right of way by the highway department. In addition a certificate of approval is issued to the owner of the station. Several inspections, including bacterial examinations of the water supply, will be made each year. Continued possession of the highway sign and the annual renewal of the certificate of approval will depend upon the result of these inspections. It is expected that through these methods the state will enjoy an appreciable reduction in vacation typhoid and other filth borne diseases which have recently shown considerable increase. It is also hoped that valuable educational work in rural communities will become a by-product of the new methods.

As pointed out in the article by Mr. Kingsbury, reprinted in this issue from the *American Review of Reviews*, country health measures in general have lagged behind city advance, although Cattaraugus county, New York, is demonstrating what can be done in rural localities when the health work is placed on a county basis. As we are discovering with respect to other services, the ancient town or village is too small a unit to cope adequately with some of the problems which have formerly been considered primarily local in nature. Thus we are driven to a larger unit, the county and perhaps in some cases the state.

*

The photograph of Mayor Kendrick appearing on page 302 of the May Review should have been credited to the *Philadelphia Evening Bulletin*, to which we extend our apologies for an inadvertent mistake.

THE CHICAGO ELECTION

HOW BIG BILL WAS ELECTED MAYOR OF CHICAGO

BY HAROLD GOSNELL
University of Chicago

In Chicago the police will no longer "frisk mattresses for pints." Although street railways were not prominent in the campaign, time may reveal that they were the real issue. :: :: :: ::

Four years ago William Hale Thompson, sensing a feeling of rising indignation against the scandals of his administration as mayor of Chicago withdrew "voluntarily" from the mayoralty race and William E. Dever, the Democratic nominee, was elected with a 105,000 plurality over his Republican opponent. Relying upon the short memories of the voters, Thompson thought that he could stage a comeback this year. The battle was mainly between him and Dever, Dr. Robertson, the third candidate, having comparatively little organization support. Thompson's huge poll in the Republican primary gave his campaign against Dever an impetus which the Democratic leaders soon discovered was an avalanche. Unquestionably many Democratic voters contributed to Thompson's overwhelming primary victory. George Brennan, the Democratic boss, had been away during the primary, but on his return he read the riot act to his wandering henchmen. This fired them with a new zeal, but it was not sufficient to stem the tide. Many voters in the working class and rooming house wards had gone over to Big Bill Thompson, and they could not be brought back to the Democratic fold.

STEALS DEMOCRATIC THUNDER

Thompson began his campaign in whirlwind fashion by stealing the Democratic thunder. In order to cover the weaknesses of his own record he painted a black picture of the Dever administration. This is the old Lorimer trick of throwing mud at your opponent before he begins to throw mud at you. It is very effective as a smoke screen since it confuses many voters. Mayor Dever had sought to give an honest and dignified administration. His record had not been perfect, but it was at least free from the gross abuses of power that had characterized Thompson's first two administrations. The Democrats entered denials and counter charges against Thompson, but not before the atmosphere had been clouded with a storm of epithets.

The meetings of the two candidates presented many contrasts. The Thompson meetings were well staged. Flags, carnations and horns were very much in evidence. Big Bill's entrance was nearly always dramatic. His cowboy hat, his lumbering gait, and his friendly gestures rarely failed to get a response from the crowd. His courageous attack upon the King of England and the League of Nations was irrelevant but nevertheless entertaining. Here was a man of the people. Dever's early career had brought him in very close touch with the common people, but he had been a judge later in life and he never forgot his judicial dignity. He refused to indulge in the rough and tumble tactics of his opponent. When the campaign was well under way the atmosphere was very hot, but Dever did not lose his poise.

LIQUOR, RACE AND SCHOOL TEXTBOOKS THE ISSUES

Aside from mutual accusations of maladministration, the principal issues in the campaign were the wet and dry issue, the race issue and the school textbook issue. The Democratic party in Chicago is ordinarily wet. However, at the end of the first year of his administration, Dever began to show unusual zeal in the enforcement of the prohibition law, much to the amazement and disgust of his followers. Although Thompson's record on the wet and dry issue has been an equivocal one, his promise to open 10,000 places and to keep the police from "frisking mattresses for pints" undoubtedly gained him many votes. Early in the campaign Thompson had held a huge rally in the black belt, at which he had promised the negroes jobs and protection against police interference. Some of the Democratic orators used this meeting as a means for arousing race prejudice among the whites. Singling out Dever and Brennan as the instigators of this, Thompson said: "If you start a race riot in Chicago for political purposes and hundreds of whites and blacks are killed, in the fair name of Chicago I will dedicate two years of my life to put you two damn crooks in the penitentiary, where you belong." Dever himself deprecated the use of this issue as he did the school textbook issue. To cover up the bad odor of his own school administration, Thompson denounced the use of "disloyal" history textbooks in the public schools. The brunt of his attack was against Superintendent McAndrews, who was characterized as a "stool pigeon of King George." In this and in other matters, Thompson was not concerned with the facts, but with the social and racial prejudices that he could arouse. He appealed to the Germans on his war record, he denounced the English for the benefit of the Irish voters, and he condemned the water meter ordinance to attract the working class vote. His comprehensive program was summarized in the slogan "America First."

Toward the end of the campaign interest in the election was worked to a high pitch. With the exception of the Hearst papers all the large daily newspapers in the city, Democratic and Republican alike, were frantically urging the reëlection of Mayor Dever. A group of prominent businessmen, calling themselves the Independent Republican Committee, put forth valiant efforts to save the day for Dever. On the other hand, the various warring factions within the Republican party united to back Thompson on the ground of party regularity. For fear that there would be violence upon election day, appeals were made to Governor Small to be in readiness to use the state militia.

ANALYSIS OF THOMPSON VOTE

Election day dawned and everything was peaceful. The size of the poll was unprecedented for a mayoralty election. Over 87 per cent of the registered voters cast their ballots. When the returns were in, the result stood: Thompson 512,700; Dever 429,700 and Robertson 52,200.

Thompson's plurality of 83,000 votes over Dever can be analyzed profitably upon a geographical basis. Three-fourths of it came from the three great negro wards of the Near South Side which voted 6 to 1 in Thompson's favor, and the other fourth can be traced to the dozen River wards that immediately border the Loop business district. These latter wards are in a depreciated residential area and they are inhabited largely by persons of Polish, Bohemian, German, Irish or Italian extraction. Normally the people in these wards are Democratic, but many of them could not resist the expansiveness of a candidate like Big Bill Thompson who promised them an open town. In the rest of the city the struggle between Thompson and Dever was a close one. Outside of the negro districts, Dever was a clear winner on the South Side. He was especially strong in the Fifth Ward, a "high-brow" and "silk-stocking" Republican stronghold. Dever also ran ahead of Thompson in the Loop district and in certain West Side wards which are traditionally Democratic. On the North Side Thompson was everywhere victorious except in the high-class residential districts which border Lake Michigan. In short, the negro vote combined with the Republican machine vote and an important share of the foreign-born vote swept Big Bill Thompson back into the mayor's chair.

During the campaign both of the candidates denounced each other's records on the traction question but neither candidate presented a constructive program. Mayor Dever fostered a home rule referendum on traction matters, but this failed of adoption because it did not receive a majority of all the votes cast at the election. Thompson was silent as to his traction plans. However, the day after his election the value of the traction securities began to rise. The newly appointed corporation counsel has had connections with the utility interests. The people of Chicago may soon learn that this was the real issue of the campaign.

FRAGMENTS FROM THE GOVERNORS' MESSAGES

A FEW SIDELIGHTS ON GUBERNATORIAL PSYCHOLOGY

By RALPH S. BOOTS

University of Pittsburgh

In governors' messages there frequently appear observations or expressions of belief which are so aptly put or which furnish such a striking insight into their political theory that they are worth recording, even though of no great moment in determining the state's policy. Some of these paragraphs, selected from the current messages to the legislatures, are here reproduced.

THE EVIL LOBBY

In flaming words Governor Johnston of Oklahoma thus expresses his hatred for the lobby: "The lobby is in our midst, it is encamped around the capitol, its emissaries mingle freely in our corridors and committee rooms, they accost us on the street, they mingle with us in hotel corridors, they mold and shape the bent and trend of public sentiment, they set individuals, classes and elements of the legislature one against the other, they raise up artificial issues with which to divide honest men, they insidiously cultivate a false atmosphere in newspapers, they spread poisonous propaganda among your constituency with a view to winning you from the ways of rectitude and luring you into the household of abomination. And if you fail to yield to their wiles, they will attempt to so castigate your reputation for intelligence and so traduce your reputation for honesty, or to engender fear of reliance upon your own judgment to the end that you will yield to their enticements and their subtile force rather than face the jeers of a public opinion which has been created by their infamous tactics of misrepresentation and deceit."

REGULATE GASOLINE BUT NOT FREE SPEECH

"The state regulates the cost and distribution of gas and electricity. It is far more important to regulate the cost and distribution of gasoline," asserts Governor Peay of Tennessee.

The Arizona legislature is urged by Governor Hunt to provide for the fullest degree of free speech, and to authorize the holding of meetings on streets where they will not interfere with traffic, in parks, vacant lots or public buildings for political or social gatherings, so that the people of the state may enjoy the right to express their opinions as long as public peace is maintained. A law should be passed to prevent the abuse of vagrancy laws as a means of stopping the expression of opinion which local authorities may not approve.

Governor Young of California announces certain governmental principles as ideals of the state since 1911: "I believe we are not afraid to be progressive; we have not entered public service merely for the sake of advantaging our own selfish interests; we shall all insist on a square deal." In Delaware the sterilization law is regarded by Governor Robinson as one of the most valuable acts on the statute book. A similar law is said to be in full operation with good effect in Oregon.

FEAR OF FEDERAL GOVERNMENT

Governor Ritchie's third inaugural address consisted largely of an apotheosis of the state of Maryland and the right of local self government: "If unprotesting you stand by while the rights of citizenship are confiscated, then do not say the fault lies in the stars when liberty and equality of opportunity fade and tolerance bids the land farewell."

Governor Christianson (Minnesota) regards most forms of federal aid as a device to force or bribe the people into activities they would not otherwise undertake; he would resist further extensions which threaten the foundations of our constitutional system.

After calling the attention of the legislature to the introduction of a bill in congress which would raise the grazing fees for the use of the public domain, to which stockmen are practically unanimously opposed, Governor Emerson (Wyoming) says: "In this and other instances the federal government has a tendency to reach out for further control over our natural resources. We should oppose further extension of federal control in the state except in instances where the aid and coöperation of the federal government would appear a benefit."

"Many of these (5,000 laws of the last five years) could have been avoided by the enactment of general statutes taking care of minor matters, and by granting to departments power to issue their own regulations," hints Governor Smith (New York), and more specifically, "Year after year the legislature is flooded with bills fixing the size, condition, manner, method, and season for the taking of fish and game of all kinds. Why not confer power to fix by rule? More than fifty such measures at the last session received the executive approval or disapproval upon the recommendation of the conservation commissioner."

INSTRUCTION IN GOVERNMENT AND POLITICS

Governor Pinchot's message is a kind of brief course in state government and politics. "Four years ago a new order was established in this commonwealth. Before that time the government machinery was administered chiefly for the service of political insiders, while the people got little more than the crumbs which fell from the rich men's table. . . . Doubtless in the past there have been gang politicians of power and insight. We look in vain for them to-day. The gangster, as I have learned to know him, depends for his success upon four things: The influence of the higher-ups, the groundless fear he often inspires, money, and cheating. Take these from him and he is lost."

Probably no public man has spoken out more plainly in recent years than Pinchot in his paragraph, The Men Behind the Boss: "Every machine, at least in cities, must have two kinds of people; first a body of politicians able and willing to deliver, for value received, the control of the government, the unrighteous favors and unfair protection for the sake of which the magnates are in politics. Politicians able and willing do to these things must be corrupt. . . . This is one wing of the political machine. The other consists of the respectable element. It is made up partly of the men who are so tied in with the business organization of the magnates that they profit from the existence of the machine, partly of the generally decent citizens (of whom there are many) who follow the magnates because they assume that if a man is rich enough he can do no wrong, partly of persons who cannot resist the craving to stand well with those in power, and partly of such of the ostensibly respectable elements of the community as are willing to shut their eyes and make common cause with the gangsters, vote thieves, divekeepers, criminals and harlots because of the social and political eminence of the ——— name. For such reasons and with such support, the machines of Philadelphia and Pittsburgh, and many another, spread their black, hawk-like shadow over the community, borne on the two wings of eminent respectability and organized crime."

Governor Gore imparts the interesting information that West Virginia courts have held that the ordinary relation of landlord and tenant is not generally applicable to persons occupying houses in camps (*e.g.*, of coal companies) but rather the relation of master and servant is applied, thereby permitting the owner to eject the tenants without reasonable notice, provided the same can be accomplished without violence or without creating a breach of the peace.

MORE FOR CHILD WELFARE IN COMPARISON WITE JAILS

"In view of the fact that $236,158.10 was expended during the past year for the care of the inmates of the penitentiary and the reform school, and only $1,500 was appropriated for child welfare, it would appear the part of good judgment to increase the latter amount," says Governor Gunderson of South Dakota.

In a special message to the New Mexico legislature, Governor Dillon reproves mildly: "There now remain thirteen working days of the present legislative session. I am informed that 36 bills have been introduced in the senate and 292 in the house. . . . Only seven of these have reached the executive office, two of them provide for per diem and expenses for the legislature and the other five are of minor importance."

That many of the electric companies of the state (Massachusetts) have paid dividends in 1925 of more than fifteen per cent, and one of fifty-five per cent and that gas companies have paid as high as twenty per cent, even though these rates have been based on stock at par, seems to demonstrate to Governor Fuller that the existing legal method for securing a reduction of rates is inadequate.

CATTARAUGUS COUNTY AND OUR RURAL HEALTH[1]

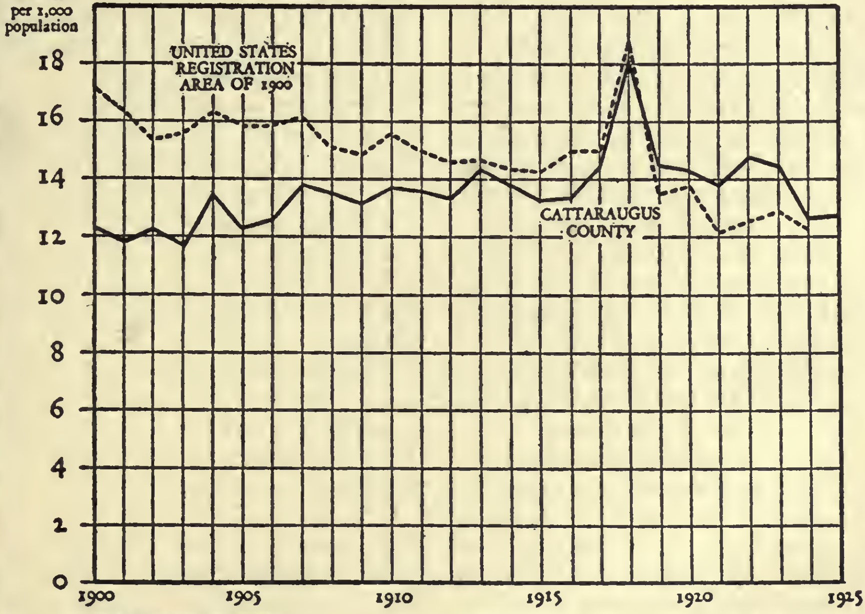
BY JOHN A. KINGSBURY

Secretary, Milbank Memorial Fund

While the death rate has been falling in cities it has been rising in Cattaraugus, a typical New York rural county. But the county board is now fighting disease on a full-time, county-wide basis. Already encouraging results should stimulate rural counties everywhere. :: :: :: :: :: :: :: :: :: ::

A STUDY of the mortality statistics for New York state reveals that during the past quarter of a century the general death rate has been declining more rapidly in the urban than in the rural districts. In 1900, the general death rate in the urban and metropolitan sections of the state (that is in all towns with populations of 10,000 or more, including New York City) was higher than in the rural communities of less than 10,000 population. Now it

DEATHS *from* ALL CAUSES
in CATTARAUGUS COUNTY *and in the* UNITED STATES REGISTRATION AREA OF 1900
1900-1925



UNITED STATES MORTALITY STATISTICS
BUREAU OF THE CENSUS

CATTARAUGUS COUNTY
BOARD OF HEALTH

MILBANK MEMORIAL FUND

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[1] Reprinted, with permission, from *The American Review of Reviews* for May, 1926.

In the Cattaraugus County Diagnostic Laboratory

is lower. While the combined urban and metropolitan rate was decreasing from 19.5 deaths per 1,000 population in 1900 to 12.4 deaths per 1,000 population in 1923, the rural rate was remaining more or less stationary.

Similarly, while there has been a steady decrease in the death rates from pulmonary tuberculosis and from typhoid fever throughout New York state during the past quarter century, the decline in mortality from these causes has been more rapid in the urban and metropolitan districts than in the areas classified as "rural." At the beginning of the century, death rates from these causes were less in the rural districts than in the more populous centers. Since 1919 in the case of tuberculosis, and since 1912 in the case of typhoid fever, the death rates have been greater in the rural areas.

We must recognize that this has been due in part to the erection of sanatoria in the rural districts, where sufferers have gone from the cities and died while under treatment. To what extent this factor has entered to vitiate the comparison is now the subject of a special inquiry being made by the National Tuberculosis Association with the coöperation of the New York state department of health. Other factors have likely entered in, including the moving of the young from the smaller to the larger population centers. It will no doubt be found, however, that the former commissioner of health of New York state, the late Dr. Hermann M. Biggs, was right in his suggestion that these declines are perhaps largely due to the more intensive public health effort which has been put forward in the cities. While the more populous centers have developed local machinery for the protection and promotion of the health of their citizens, the less populous ones have become what Dr. Allen W. Freeman has called the "neglected units in sanitation," a sort of no-man's-land for intensive public health work.

There are several reasons for this sluggish growth of adequate health programs in the rural sections of New York state, and no doubt they apply also to the hesitancy in the development of such effort in other states as well. The erroneous idea that residence in the country automatically precludes all necessity for protective measures against disease, is perhaps one. The scattered population of the rural district and the lack of facilities there on which to build protective programs, are others.

It has been found that rural New York state lags behind Ohio, Alabama, North Carolina, New Mexico, Maryland, South Carolina, Washington, and the rural sections of many other states, in the development of local health service, administered under whole-time county or district health officers. Ninety-eight per cent of the rural population of New York state is without what Dr. L. L. Lumsden, of the United States public health service, has described as a minimum local staff for effective health service—a full-time health officer at least one full-time nurse, at least one sanitary officer, and one stenographer.

Fifteen County Nurses Visit the Sick where Necessary and are Occupied with Many other Phases of the Public Health Education Program

A COUNTY HEALTH UNIT

Dr. Biggs was deeply concerned about this need, and came to the conclusion, which even a casual student of the subject must reach, that the only manner in which to secure the protection of the health of the rural and village inhabitants is through the establishment of larger health units. A bill, framed by Dr. Biggs and permitting the establishment of county-wide health districts by the local boards of supervisors, was passed in New York in 1921. Until now, however, but one county in the state has taken advantage of the opportunity it provides.

This county is Cattaraugus. In January, 1923, the local board of supervisors created a county board of health, and shortly thereafter a full-time health officer was appointed.

At the same time, Cattaraugus county became the scene of a rural health demonstration—one of the three separate projects in intensive community health administration in New York state, financed in part by the Milbank Memorial Fund.

Cattaraugus county is located in the southwestern part of New York state, adjoining Pennsylvania. Although it contains two cities (Salamanca and Olean), and approximately 74,000 persons live within its boundaries, the county's chief industry is dairying.

LABORATORY SERVICE

Under the leadership of Dr. Stephen A. Douglass, the county health officer, the various activities of the Cattaraugus county board of health are administered through several distinct bureaus. These are as follows: The bureau of general administration; the bureau of records and vital statistics; the bureau of public health nursing; the bureau of tuberculosis; the bureau of laboratories and communicable diseases; the bureau of maternity, infancy and child hygiene; the bureau of health education; and the bureaus of nutrition, venereal disease and sanitary inspection. A psychiatric worker and two social case workers are also employed in the county, the former on the staff of the county board of health, and the latter on that of the Cattaraugus County Tuberculosis and Public Health Association.

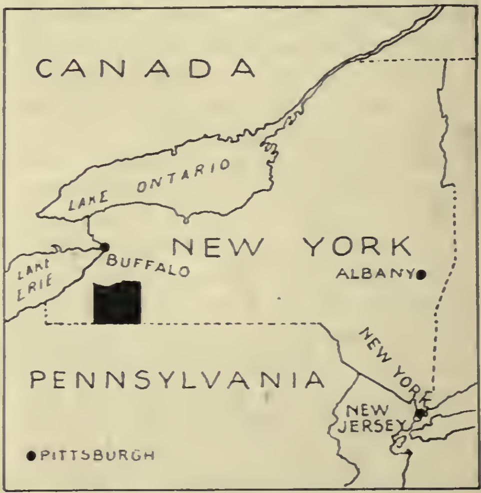
Fighting Tuberculosis in a Rural County Hospital

A county laboratory, established early in 1923, makes all of the routine public health examinations, except the examination of water and pathological tissues (which are made by the state department of health) and, except for limited laboratory services provided by the hospitals and in physicians' offices, furnishes the only facilities for laboratory examination in the county. It also provides clinical laboratory service for the physicians of the district and serves as a distributing station for sera and vaccines prepared by the department of health.

The school health service is administered by Dr. C. A. Greenleaf, who as medical director is assisted by a supervising school nurse, a clerk and the local medical examiners, under the general supervision of the educational authorities. The service is conducted in close coöperation with the work of the county board of health.

In 1925, organic heart disease killed nearly five times as many people in Cattaraugus county as did tuberculosis, more than twice as many as cancer, more than three times as many as pneumonia. Though heart disease is popularly attributed as the leading cause of death, it might more correctly be described as a leading attendant of death due to a much more remote cause. But these remote causes can be warded off. And here, too, as in infant mortality and tuberculosis, we are told that death from diseases of the heart can be postponed. It is to ward off the remote sources of diseases of the heart and other ailments that in our school health work in Cattaraugus county we are placing so much emphasis upon the importance of cleaner mouths; fewer diseased tonsils; fewer neglected, decayed teeth; earlier recognition and treatment of sore throats; and kindred conditions.

It is too soon to attempt to judge from the death rate for Cattaraugus county what the results of the activities carried on under the demonstration have been so far, but attention is invited, for purposes of orientation, to the accompanying chart, in which is shown



The Black Spot Locates Cattaraugus County, in New York State the death rate from all causes in the county and in the original registration states during the past twenty-six years.

THE CHANGING DEATH RATE

The course of the death rate in Cattaraugus county is typical of what has happened in rural sections of the eastern part of the United States in that it does not indicate a marked downward trend; in fact, up to 1923, the general trend of the death rate in Cattaraugus was quite definitely upward, which is in marked contrast to that for the section of the county included in the original registration states. The Cattaraugus county death rate for 1924 and 1925 at least suggests an encouraging deviation from its course in previous years; whether or not such a variation in the gross mortality rate presages a change in its trend will be watched with interest, and subjected to more critical statistical analysis later.

It is possible at this time, however, to point to several evidences of increased interest and participation in the venture on the part of local voluntary and official bodies. Perhaps the outstanding instance is the assumption by the Cattaraugus county board of supervisors since November 1, 1925, of all of the expense of maintaining the public health nursing service in the county. This action on the part of the board, bringing the total yearly appropriation for county public health work to $56,060,[1] and coming after two years of observation of the demonstration, indicated a definite approval of this portion of the work.

The local voluntary agencies have shown a like interest in the health effort. The active campaign, especially during the years 1923 and 1924, of the Cattaraugus County Farm Bureau for the eradication of bovine tuberculosis in the district; the enlargement of the capacity of the county tuberculosis hospital; the participation of the local Home Bureau in the nutrition program; the consent of the authorities of the Allegany State Park to the transfer of the health camp for selected children to the park and the erection of permanent buildings; the effective coöperation of the local chapter of the American Red Cross; the Portville and the Gowanda nursing committees, established to aid the public health nurses by the preparation of supplies and in other ways; and the work of the Olean Anti-Tuberculosis Association—all offer evidence of community interest and coöperation in the project. The commendation and coöperation of the County Medical Society and of the County Ministerial Association have also been signified by resolutions adopted by each of these bodies.

A RURAL HEALTH DEMONSTRATION

The health demonstration in Cattaraugus county was set up by the community itself with financial aid from the Milbank Fund, for the purpose of determining what is the most effective machinery for the protection of the health of rural populations, and in due course, of finding out what such machinery costs and whether or not a rural community is willing to pay for it.

Here, health services which have contributed to great reductions in morbidity and mortality rates in cities, are being applied concertedly in a typically rural county with its own public health department, the first in New York state. A group of the world's leading health engineers, under the leadership of Dr. William H. Welch, of Johns Hopkins University, has been helping to design and develop a modern rural health machine in Cattaraugus, and at the same time to teach the local citizens of the place how to operate it.

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[1] Under the provision of Chapter 278, Laws of the State of New York for 1924, one-half of the amount appropriated by counties for health work is returned from state funds.

The year 1926 was the fourth of Cattaraugus' rural health demonstration. This page from its health officer's year book serves to illustrate the scope and nature of the services which are being developed in this rural county:

> During 1926 there were notable increases in the amount of service rendered through the several branches of the county health department. During the first ten months of the year the generalized nursing staff furnished service equivalent to from eighteen to twenty minutes for each person in the county. By the end of December, 4,054 children had been immunized against diphtheria. Special efforts were made to include children of pre-school age. Efforts in the prevention and control of tuberculosis were concentrated on bringing "contacts" and "suspects" to the clinics for examination. The season at the health camp was extended to ten weeks. The eyes of 231 children in village and rural schools were examined, and 122 of them were either fitted with glasses or placed under treatment. Education in general health habits and in nutrition was continued. In the Little Valley School a particularly successful correlation of efforts was worked out in the "Gold Star Project." A course on the care of babies and small children was offered in the fall of 1926, for students in the seventh and eighth grades and the high schools. By June, 1926, the number of rural schools which served a hot lunch had risen to 99, over a third of the total. Less than a dozen served hot lunches at the beginning of the demonstration.
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> An intensive educational program in social hygiene was carried out in February, when in two weeks addresses were given to 4,815 men and boys, and to 2,129 women and girls over fifteen. In November a second series of meetings was held for women and girls. A venereal disease clinic was opened in Salamanca in March. To check the rising casualty list due to automobile accidents, large white crosses, marked conspicuously in black, were set up early in the summer, on the exact spots where fatalities had occurred since the beginning of 1924.
>
> A full report was prepared on the survey of food habits which was begun in 1924, and also a review of the work in nutrition through the experimental period. Another report was prepared on work done for crippled children in the county to July 1, 1926. An educational program was provided for the field nurses; and four graduate nurses from Teachers' College of Columbia University spent three months in field work under the direction of the director of health education for nurses. Two of the student nurses remained as members of the county health department staff.

QUALIFIED HEALTH OFFICERS IN DEMAND

Some of us can remember when it was not uncommon for a school principal or a school superintendent to piece out his income by devoting part of his time to real estate or to law or to farming. This was notably true in the part of the West from which I came. We can remember the same demand for full-time school superintendents. We can remember the demand that they should be removed from politics. We can recall the later stage when we were told that we should find a qualified superintendent anywhere in the country and bring him to our city to rehabilitate our schools; and we can remember the outcry against this revolutionary procedure.

It ought to be as uncommon and as inconceivable for a health officer to obtain or hold his position on the basis of any other consideration than adequate preparation, or to work on part time, as it is for a school superintendent. Legal residence ought to play no more part in the selection of a health officer than of a superintendent of schools. The remuneration of a health officer surely ought to be commensurate with the remuneration of a school superintendent, or circuit judge, and the tenure of office ought to be as secure. The selection of so important an official ought to be entirely free from political considerations.

I venture to predict that when the

full-time, fully qualified health officer is the rule instead of the exception throughout the nation, there will be no menacing smallpox epidemics; there will be no typhoid to alarm the country or ruin an industry; there will be no diphtheria, and perhaps no scarlet fever to terrify mothers or to torture children; tuberculosis will virtually disappear; the span of life will be lengthened by at least twenty years; our natural vitality will be vastly higher; and the sum total of human happiness will greatly increase throughout the land.

TWENTY YEARS OF CITY PLANNING

BY JOHN NOLEN

Town and City Planner, Cambridge, Massachusetts

Excerpts from the President's address, nineteenth National Conference on City Planning, Washington, D. C., May 9, 1927. :: :: ::

In order to measure the character and extent of twenty years' progress in city planning, we must attempt to set down some of the existing conditions in American municipalities in 1906 and 1907, especially those conditions which influenced the rise and development of city planning. Here are some of the main facts:

About twenty years ago there were 135 cities of 30,000 or more in the United States, and there were 19,050,921 persons living in these cities. Today there are 248 cities, and 39,981,105 population,[1] so that there has been an increase of 113 cities (of 30,000 or more) and 20,930,184 population. The query here, which we must consider later, is what influence has city planning had upon the distribution of this increased urban population of over twenty million.

The wealth of the United States was then one hundred billion dollars. It is now about four hundred billion dollars. This new wealth has made great changes in the character of cities. Has a proportional share of it been used for improvements based upon better city planning?

Progress in city planning depends upon the form and efficiency of city government. Twenty years ago the city commission idea had just been broached, and there were no "city manager plan" American cities. There are today more than 350 American cities employing the city manager plan, credit for which is due largely to the National Municipal League. Advance in city planning is undoubtedly directly dependent upon the efficiency, success and ideals of city government.

1904—THE SHAME OF OUR CITIES

It is difficult to present briefly an impression of the general conditions existing in American cities twenty years ago, but even a few references may help. In 1904 Lincoln Steffens published his "Shame of the Cities," with chapters on graft and corruption in St. Louis, Minneapolis, Pittsburg, Philadelphia, Chicago and New York; and in 1906, his volume on "The Struggle for Self-Government." About the same time appeared "The Battle with the Slum" by Jacob Riis, and other books and articles dealing with municipal reform. City government was at a low ebb, but an awakening was in sight, preparing the way for better local government and better planning. Charles Zueblin published "A Decade of Civic Development" in 1905, and the "American Municipal Progress" in 1916. These books of Lincoln Steffens, Jacob Riis, Professor Zueblin and others, give a sufficient basis for recalling the general municipal conditions in American cities twenty years ago, and comparing them with the conditions of today.

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[1] Figures are from 1924 statistics.

During the years 1914–1918 the World War was fought. It influenced life profoundly, and left its permanent impress upon cities and the problems that we group under such terms as city planning or regional planning.

SKYSCRAPER AND MOTOR CAR

The most revolutionary factors, so far as American city life and city planning are concerned, are, however, still to be mentioned; namely, the building of the skyscraper and the bewildering increase in the manufacture and use of motor vehicles.

The coming of the skyscraper is generally attributed to the first decade of the twentieth century, the Flatiron Building in New York being erected in 1902, the Singer Building in 1908, the Metropolitan Life in 1909, and the Woolworth Building in 1913.

Some statistics and references regarding motor vehicles follow. Their influence upon American city planning is almost beyond estimate.

In 1905 there were but 24,550 passenger cars produced, and 450 trucks.

In 1925 there were 3,839,302 passenger cars produced, and 497,452 trucks.

In 1905 there were only 77,400 passenger cars registered, and 600 trucks.

In 1925 there were 17,512,638 passenger cars registered, and 2,441,709 trucks.

Twenty years ago the Ford car was unknown, the first being manufactured in 1908. On January 1, 1926, there were registered in the United States 8,164,275 Ford cars, exclusive of Ford trucks.

It is estimated that at the close of 1926 there was a total motor vehicle registration of 22,330,000.

NO PLANNING TWENTY YEARS AGO

When we turn to city planning itself, what do we find twenty years ago? The answer is, almost nothing. With the exception of the McMillan plan for a comprehensive park system for Washington (1901), prepared by a distinguished group, Burnham's plan for San Francisco (1905), and a few tentative and unofficial efforts, no comprehensive city plans, as we think of them today, had been prepared. There were no city plan commissions; the idea of the civic survey was unknown, as was regional planning also; no zoning ordinances had been passed or even discussed; there was no National Conference on City Planning and no American City Planning Institute; no teaching of city planning in schools or colleges; and no books or other publications of note on this subject. Moreover, there was no interest in city planning among the people generally, except so far as it was beginning to express itself in a wider discussion of the "city beautiful" in connection with civic centers and parks and playgrounds.

RECORD OF PROGRESS, 1907–1927

Stock taking is profitable, but in a subject like city planning it is difficult to make it really significant. We must set down not only facts but tendencies, and we must also endeavor to find the causes of both good and bad results, or of no results.

No statement is more important to emphasize and establish than that city planning or regional planning, to be of greatest value, in fact to justify the use of the term, should be comprehensive, related, and coördinated. But while planning should be comprehensive, related, and coördinated, the improvements themselves must be carried out separately from time to time, in accordance with the general scheme. The test of progress, therefore, must be made in each subject, but the character of the improvement itself should be scrutinized to see whether it is an integral part of an orderly and organic plan. Such tests should be applied to plans for major streets, railroads and traction lines; for parks, playgrounds and other open spaces; for waterfronts, civic centers, housing, etc. The character and quality of these changes and improvements should be tested, first with regard to fitness and economy in accomplishing their purpose, and secondly, the way in which they have been done from the point of view of appearance, and a proper regard for the preservation or increase of amenities.

It is not feasible in a brief address to enumerate in any detail the progress made in city planning in two long and busy decades, nor is it called for. Annual reviews of great merit have been made regularly from year to year by the Secretary and various members of the City Planning Conference, by Mrs. Henry V. Hubbard and others, and the detail record is an honorable one and worthy of further study. It would seem to be possible, however, to review briefly in a single address those main factors which mark the extent, character and quality of city planning progress. What does the record of twenty years show?

The record shows that 157 cities have been planned, for most of which accompanying reports have been printed. These plans include cities in every state in the Union with the exception of Arkansas, Delaware, Idaho, Kentucky, Louisiana, Mississippi, Montana, Nevada, New Hampshire, North Dakota, Oklahoma, South Dakota, Utah, Vermont, Wyoming. The greatest number of plans were prepared for cities of 50,000 to 100,000 population. The number for other population groups is as follows:

Population	*No. of Planned Cities*
1,000,000 or more	2
500,000 to 1,000,000	8
250,000 to 500,000	12
100,000 to 250,000	22
50,000 to 100,000	36
25,000 to 50,000	28
10,000 to 25,000	25
5,000 to 10,000	12
2,500 to 5,000	6
Under 2,500	6

460 ZONED CITIES

Official zoning ordinances have been adopted by 460 cities, more than three times the number of cities for which comprehensive plans were prepared. One-half the urban population of the United States is now living in zoned cities. The principal facts with regard to zoned cities are as follows: All states have zoned cities except Arizona, Idaho, Kentucky, Mississippi, Montana, New Mexico, South Dakota, Vermont, West Virginia, and Wyoming. There are 460 zoned cities, New York state leading with 77.

City planning commissions have been established in 390 cities. There are city planning commissions in every state with the exception of Arkansas, Idaho, Mississippi, Nevada, New Mexico, and North Dakota. In Massachusetts, Pennsylvania, Ohio, California, Indiana and Kansas, state planning organizations in one form or another have been formed as federations of these city planning commissions.

During this period important city planning legislation has been passed and judicial decisions of great importance and influence rendered. The constitutionality of zoning has been upheld by the highest courts of California, New York, Arkansas, Illinois, Oregon, Rhode Island, Louisiana, Wisconsin, Massachusetts, Ohio, Minnesota and Kansas. The Supreme Court of the United States upheld zoning in an important decision recently in the Euclid Village case.

The National Conference on City Planning was organized in 1910, preceded by a preliminary meeting and exhibition at Washington in 1909. During that period annual sessions have been held without a break. A volume of proceedings has been published each year. Since 1907 city planning exhibitions have been held in many cities.

The American City Planning Institute was organized in 1917, to "study the science and advance the art of city planning." It has held seventeen useful sessions.

City planning publications of value in the form of books, magazines, pamphlets, reports and articles have appeared increasingly during the last two decades. The rate of progress that has been made has been due in part to these publications. The publications of most permanent value covering the subject comprehensively are listed in the supplement to this address.

Special mention should be made of the publications of the Department of Commerce, prepared under the initiative and auspices of the Secretary, Mr. Herbert Hoover, as follows: A Standard State Zoning Enabling Act, 1922 and 1926; A Proposed Standard City Planning Enabling Act, 1926; A City Planning Primer, 1927.

A great advance has been made in education in city planning in high schools, colleges and technical institutions.

TECHNICAL GROUPS COÖPERATE

Progress in city planning depends upon the coöperation of the technical groups directly concerned with the physical planning; namely, engineers, architects and landscape architects. There has been a steady advance in such coöperation.

Another test of progress is the building of new towns and cities or the extension of cities by laying out important suburbs. These developments might be termed garden suburbs, garden cities, or satellite towns.

The scope and character of city planning itself has changed. The local survey and the collection of reliable data have become an essential part of good work. Plans and reports have been steadily improving. The list of topics included has been increased and the field has been widened to include regional, state and even national planning.

What forces are back of the last twenty years' progress of city planning? Great changes do not generally come without important reasons. It is worth while to ask, therefore, what influences are behind these changes in cities, from the city planning point of view, during the period under discussion. They may be summarized in this fashion: Increase in population and wealth of cities themselves; improvement in the forms of city government, especially city commissions and the city manager plan; improvement in the technique of city planning, resulting from professional courses; publications, conferences and discussions, notably those of technical planning organizations; the American City Planning Institute; the World War which has left a permanent impress upon city planning both directly and indirectly; the mechanization of life, especially the skyscraper and the automobile; public opinion, influenced especially by newspapers, books and periodicals, Chambers of Commerce, men's luncheon clubs, women's organizations, the American Civic Association, the National Housing Association, the National Municipal League, and other national associations; the change in the point of view of realtors with regard to land and planning; and the work of local city planning commissions and of the National Conference on City Planning.

A CITY COUNCIL FROM WITHIN

BY CLINTON ROGERS WOODRUFF

Mr. Simon's intimate sketch of English city councils and councillors reviewed and compared with American conditions. :: :: ::

A BOOK has recently been published by Longmans, Green & Co. (of London) with the suggestive title, "A City Council from Within," which is highly important not only for its contents, but for the contrasts which it affords. It is written by E. D. Simon, M.A., M.I.C.E., M.I.M.E., one time Lord Mayor of Manchester, and for thirteen years an influential and efficient member of the council of that city, chairman of a number of its important committees and "in business in a large way."

In the contents of this stimulating book we have an intimate and interesting picture, given in broad outline of how a city government in England works from day to day. Mr. Simon tells us with a wealth of illuminating detail of the activities of the electricity committee, the public health committee, the committees on housing, finance, with all of which he was closely identified. Then he tells us how the Lord Mayor works, and discusses, from his extensive experience, the policies involved in such problems as municipal trading, municipal civil service, the party system and the areas of local government.

I cannot better describe Mr. Simon's book than by quoting William A. Robson, whose brochure on *The Town Councillor* has already been described in these pages (see NATIONAL MUNICIPAL REVIEW, Vol. XIV, page 637), and who by experience, training and interest is qualified to speak with authority. Robson puts it this way: "The difference between Mr. Simon's book and all other descriptions of contemporary local government is the difference between one of those fascinating motor car chassis cut clear in half so you can see the engine working and an instruction book in the correspondence course for motor engineers at the Whiffle & Bang Commercial College at Brixton."

THE COMMITTEE AND THE EXPERT

Mr. Simon develops the outstanding importance of the committee system. While the tendency in the United States is toward small councils, in England large ones continue in favor, with committees far larger than the average American council. Manchester has 140 councillors, and its committees average 20 members each.

One gets an insight into the working of English municipalities and views of municipal problems that is highly valuable. It is generally conceded that the electricity department of Manchester stands well to the front, if not at the head, of such departments in England. Its chief engineer "holds a position almost exactly equivalent to that of managing director of a limited company." The chief function of the committee, having once gotten a first-class engineer, is to see that he follows a policy acceptable to the committee and council, and explains and defends what is being done both to the committee and to the council. The chairman and deputy chairman, with the help of the committee, constitute the link which keeps the expert in touch with democratic opinion. All important decisions of the committee are taken on the reports submitted by the engineer. "These reports were," Mr. Simon tells us, "in my experience, models of lucidity, and I always found them quite convincing. When they dealt with matters of high policy they were submitted to and agreed with by the chairman and deputy chairman before coming to the committee; and if they concerned a subject in which any member was particularly interested, the engineer would often take an opportunity of talking it over with him as well. In the case of very important matters, such as the building of a new power station, the report would be submitted to and discussed with the committee in stages. There was never any attempt to conceal anything, either from the committee or the council; and the result was that the reports were almost always unanimously accepted. In fact, on this committee there was, practically speaking, never any difference of policy between the most reactionary and the most progressive member. Discussions were all on a purely business basis."

There were a few members of the committee who took little interest in the work; two or three sat together regularly at the foot of the table, and talked continually on any subject except electricity. One alderman belonging to this group, rising to everybody's surprise to speak, opened as follows: "You know, gentlemen, that I never get up except to kid somebody, but . . .!" Only one thing caused this set to attend to business: when there were tenders to deal with, which happened at nearly every meeting. The envelopes were handed round, opened and initialled by the members of the committee, and the amounts were read out and entered by each member on a form. Then somebody said: "Move the lowest be accepted," and this was duly agreed to. The bottom of the table group seemed to feel that this was the one way in which they could render valuable public service!

There was only one really animated discussion during Mr. Simon's two years on the committee. It was reported that the Town Hall committee, which controls the Town Hall in which the electricity offices are situated, had refused the application of the electricity committee to put up an electrically illuminated sign "Electricity Department" in the corridor. This caused great and not unnatural indignation, and a longish discussion, happily ended by the chairman's remark that the sign was a very small one, but much too large to contain the whole of the brains of the Town Hall committee!

Even so, the committee meetings were sometimes most interesting. "I remember, for instance," he says, "a special meeting to discuss the engineer's scheme for a great super-station, estimated to cost over a million pounds. We had previously inspected the site, and at the meeting we spent six solid hours examining plans, and cross-examining the engineer. Endless questions were asked, and he completely satisfied the committee, which unanimously passed the scheme exactly as submitted."

It is an interesting instance of the way in which committees often treat the council, that the scheme was then submitted to the council with only a verbal report, so meager that it was an absolute impossibility for anybody who was not a member of the electricity committee to offer useful criticism. There was not a single protest against this lack of information, and the council, after a short and desultory discussion, and without even a pretence of having given any serious consideration to the scheme, passed it unanimously.

COUNCIL RARELY OVERRIDES COMMITTEES

The only occasions on which the council is apt to interfere with the trading committees are when salaries are increased. The council dislikes big salaries, especially when trade is bad and there is an "economy" wave of opinion. A question of this sort arose over the super-station. The usual method of building such a station is to pay a consulting engineer 5 per cent on the value in return for his design and supervision. In this case the committee's chief engineer happened to be a man of such exceptional qualifications that the committee felt justified in putting the work in his hands, and giving him the whole responsibility. This saved the city over fifty thousand pounds, and naturally some additional remuneration had to be given to the engineer for the extra work and responsibility. This was easily settled by the committee who understood the importance of the work; but there was great difficulty in the council, and the matter was actually referred back several times; the council merely looking at the salary figures, and not considering, or fully realizing, the whole of the services they were to get. Fortunately for Manchester the committee's view prevailed in the end, and a fair arrangement was come to; but discussions of this kind, in which inexperienced councillors often make unfortunate speeches, must have a tendency to undermine the status and loyalty of the municipal civil service.

This reference to a verbal report leads me to point out that as a rule committee reports are carefully prepared documents which represent thoughtful consideration of the points at issue. Indeed these reports are generally so thorough that there is little more to be said at the time and they are accepted as a rule without debate. About the only time there is any debate is when there is a desire to emphasize some point or to raise it for future consideration. Last July at the meeting of the London County Council which I attended there was a report from the "Local Government, Records and Museum Committee" dealing with the exhibition of advertisements affecting parks or pleasure promenades. This report was most interesting in itself, covering nearly three pages of the agenda, but what was more interesting and to the point was the carefully prepared amendment which was presented by a member and promptly withdrawn after his remarks. His purpose, I was informed by my guide and mentor, a member of the council, was to get his views before the chamber for future discussion and action, a species of seed sowing. The member recognized that the report represented an agreement as to what was possible at that time and was prepared to accept it. On the other hand, he had brought his points out into the open for thought and consideration. Except where there is a minority report representing an opposing point of view of a considerable minority, committee reports are accepted as a matter of course.

Reports are printed in full in agenda that are freely distributed a sufficient time in advance of the meeting to permit of careful attention.

These agenda are elaborate affairs and contain all the essential facts and details of the city's business. They are carefully documented and show how thoroughly the committees do their work even if there are some fox-hunting members who pay but slight attention. The serious-minded member is the rule; the frivolous-minded one the exception. Indeed a most interesting and enlightening article on the conduct of a municipal government could be made by a description of agenda for the meeting of July 20, 1926, of the London County Council, which was regarded as far from an interesting one, because there were no controversial subjects involved, but there were a number of vital ones treated with real care and, one might almost say, distinction.

MUNICIPAL TRADING—POLITICS

Mr. Simon's views on municipal trading may thus be summed up:

(1) That where a monopoly exists, the service is likely to be better and more cheaply rendered if municipalized.

(2) That only under exceptional circumstances should any service be municipalized unless it is a monopoly.

(3) That where a monopoly can be created, the question should be settled on business grounds with the sole object of securing the best and cheapest service.

(4) That experiments in monopolistic municipal distribution of coal and milk should be encouraged.

Party lines are maintained after a fashion. A report was before the Manchester council which recommended the buying out of all existing dealers and the creation of a municipal monopoly in the distribution of milk. When the report came before the city council it was considered partly as a business proposal, partly as "socialism."

The Conservatives opposed it on principle; one of their leaders made a particularly vigorous onslaught on it, saying that it was ridiculous to suppose that the city council could carry on so big and complicated an undertaking as well as the business men who had grown up in the trade and were now running it so successfully. He happened himself to be chairman of the gas committee, and never ceased singing its praises as the finest gas undertaking in the country!

Labor members, as Socialists, regarded the scheme as a step in the right direction, and on principle voted for it with absolute unanimity.

Liberals considered it on its merits as a business proposal and a public health reform. A large majority of them thought the case for municipalization was proved and voted for it; a few voted against it, either on the ground that the time was inopportune, or because they were not convinced of the soundness of the scheme. The report was rejected by fifty-two votes against forty-seven.

Another instance cited by Mr. Simon related how there was a certain amount of real discussion of a municipal trading bill, but nine-tenths of the speeches were influenced by the question whether or not this was socialism. At the very end of the debate a young Conservative summed up as follows: "If certain members take exception to any measure which is in the least bit progressive, all they have to do is to raise a big cry of socialism, and they will sway many members who spend their time in the smoking-room and then go into the lobby to vote against the bill. As one who has fought socialism up hill and down dale, with his coat off, let me say that if I thought this was in any way a question of socialism I should be opposing it, and not supporting it."

In spite of this, the smoking-room

Tories voted against the bill to a man and defeated it.

These two instances illustrate what I mean "by after a fashion" and also how political considerations do affect legislation. At the same time there is a very general disregard of party lines when the public welfare is at stake and also at election times. This was shown in the recent provincial by-elections when a strong reaction against the Conservative party was supposed to be in full swing on account of the coal strike. According to *The Ratepayer* (for January–February, 1927) bye-elections caused by selection of aldermen in the provincial towns resulted as follows: Preston, 1 Socialist gain; Leeds, 6 Socialists returned, no change; Batley, 3 Socialists were defeated; Birkenhead, 5 Labor candidates returned; Leigh, Labor gained a seat on the county council; Carmarthen, no change; Macclesfield, 1 Socialist gain; Llanelly, 1 Socialist gain; Hull, 1 Socialist gain; Warrington, 1 Conservative gain, 1 Labor loss; Pontefract, 1 Labor gain; Nottingham, 1 Labor gain; Thornby, 2 Anti-Socialist gains from Labor; Bradford, 1 Socialist gain; Nuncaton, 1 Socialist gain in county council election; Leyton, Ratepayers' Association gained 2 seats from Independents; East Ham, no change; West Ham, no change; Sheffield, all Labor candidates returned, no change; Twickenham, no Labor candidates returned.

CONTRAST WITH AMERICAN CONDITIONS

No overwhelming partisanship is disclosed by these figures.

One is tempted to quote indefinitely from this suggestive book which amply justifies the praise accorded to it by Graham Wallas in his introduction: "There is almost nothing which one can recommend to a public-spirited man or woman who is proposing to stand for election on the town council of a great English city as an indication either of the work now done by the members of such a body, or of the problems of urban administration which still require solution. Mr. Simon has supplied exactly what such a candidate wants," and he could with equal propriety have added that he has supplied exactly what the student of municipal affairs wants.

In the beginning of this article I spoke of the value of the book, not only so far as its contents were concerned but as to the contrasts it suggested, having in mind municipal government at home and abroad. It would be impossible to write an American book like Simon's because of the multifariousness of American forms of local government. We have almost as many variations as there are towns and cities. England has one form. We stress form, England does not. Our discussions occupy themselves with questions that never arise in England. Mr. Simon's book is as helpful to a councillor in Manchester as to one in Birmingham, in Leamington as in Brighton; but how helpful would a book by a New York alderman be to a Philadelphia councilman or even a Buffalo one?

Another contrast suggests itself: America does not produce Simons' as yet. We have a Merriam, but when he writes, he writes as a student rather than as a cultivated man of affairs. He is known as a political scientist rather than as a Chicago alderman. He was not continued as an alderman long enough to gain a reputation as such. Hatton could no doubt write a book on his Cleveland experiences, but he prefers the forum to the pen. Mathews had the ability to write illuminatingly of his experience as a mayor, but the Boston mayor is *sui generis* and, when Mathews did write, he ran true to American standards. He wrote about the form of government rather than its practice.

Then again there is the contrast afforded by the comparison of size to which I have already referred. Still another contrast is the differences in the attitude of English and American councillors. There is a far larger number of the former who want to learn. As Graham Wallas says in his wholly admirable introduction: "In too many American cities that small body of idealist men and women who, whether they belong to the Conservative or Labor or Liberal Party, now control the administration of most English cities, have been elbowed aside as mere 'high-brows' by the realists who play the game of politics for victory and its spoils alone. A month ago, in discussion with an important member of the Labor Party, I spoke of my fear lest the inevitable transference of power from the middle to the working classes in our English cities might be so directed as to be disastrous in some cases to administrative efficiency, and he said that he shared my fear, but that his party must learn from its own mistakes. It is no light thing to contemplate mistakes which may lead to the bankruptcy of great cities or to the breakdown of essential social services, and our conversation left me with a passionate desire that the coming Labor councillors may learn, not only from their own mistakes, but also from the experiences of the past, and the foresight which judges rightly of the future. To those who would so learn, Mr. Simon's book provides an invaluable opportunity."

EXPOSURES AND EXPLANATIONS IN NEW YORK CITY CIVIL SERVICE

BY H. W. MARSH

Secretary, National Civil Service Reform League

More than 2,000 provisional appointments are being continued in violation of law. Is it proper or just to blame the civil service commission? :: :: :: :: :: :: :: ::

Recent revelations of conditions in the city service of New York City furnish an interesting and typical example of the necessity for restrictions and, at the same time, of the difficulties of administration under restrictions.

The problem of providing by statute for a public employment system which will be flexible enough to meet all contingencies and at the same time not leave loopholes through which a team of oxen may be driven, is one which has taxed the ingenuity of the most able draftsmen among the ranks of civil service reformers. Ever since the early days of the civil service reform movement the emphasis has been placed upon a law to prevent personal and political favoritism from exercising control in appointments within the scope of the examination system. Were this object rendered unnecessary, there is some doubt as to whether we should need a civil service law at all; and in all probability employment regulation under executive control could be voluntarily installed in governmental units to provide the same sort of general regulation for employment management as that now in use in some of our large private corporations. But the persistent efforts of political organizations to obtain places for workers, regardless of qualifications, make a flexible voluntary system quite out of the question, and by force of public opinion the strict rule with force of law becomes necessary.

SMALL STAFF FOR BIG JOB

In the New York City service there are approximately 62,000 positions with which the examining division of the municipal civil service commission has to deal. In the competitive class there are 44,000 places; nine thousand are filled by non-competitive examinations, and 19,000 are laborers' jobs. Most of the difficulties of administration, so far as the civil service commission is concerned, are encountered in the 44,000 places in the competitive service for which the commission holds annually an average of over 300 examinations. Of these examinations over 200 are for promotion and about 100 are open to outsiders. In this examining process the commission receives applications from 20,000 to 30,000 persons each year and over 4,000 appointments are made each year. From these figures it may be seen that under the best conditions the employment problem for the city of New York is a big one, and that in sheer volume the examining work of the civil service commission is so heavy as to cause many difficulties that would not otherwise be encountered.

The actual examining work is done and has been done for nearly ten years by a staff of sixteen examiners. The average yearly salary of these examiners as fixed in the last budget was $3,200. The engineering examiner was paid $4,000 a year and he was charged with the selection of persons for engineering posts at $7,000 a year. In addition, this examining staff has had at its disposal additional expert and special help at a per diem rate of fifteen dollars, such as it could procure from a fund of about $5,000 or less a year. These facts should all be borne in mind in making any appraisal of the problems facing the municipal civil service commission with respect to temporary appointments.

The New York state civil service law, which is based upon a provision in the state constitution adopted in 1894, requires the appointment of a municipal civil service commission for every city in the state, and every municipal civil service commission must enforce its general provisions. The law requires the holding of competitive examinations for the filling of all positions for which competitive examinations are deemed practicable.

PROVISIONAL APPOINTMENTS

Provision is made, however, for filling a vacancy in the absence of an eligible list with a provisional appointment without competitive examination. Such provisional appointment, pending the results of examination, may not under any circumstances last longer than four months. The law makes other provision for purely temporary and emergency employments, but in the present situation we are concerned only with the appointments made for the four-month period. It has been known for years that the temporary appointment provision of the law has not been lived up to in every instance either in the state or in the city services, due to various circumstances which will be described later. The corporation counsel of the City of New York in 1912 advised the municipal civil service commission that in an emergency when a provisional employment seemed to be necessary beyond the period fixed in the law, the commission could authorize it with a special certificate on the payroll.

The apparent justification for this in the mind of the corporation counsel was that emergency knows no law. Indeed a number of decisions had been handed down by the courts compelling the civil service commission to certify payrolls of provisional employees who had served beyond the period stipulated in the law and, in fact, such special certificate has been in use since 1903. The number of such questionable employments in New York City has never been so large as to cause serious scandal, seldom even severe criticism, especially since it has been known that the examining division was underpaid and undermanned, and could not keep pace with the requirements of the law in the promulgation of eligible lists. The commission has established a routine practice of making a complete compilation of all provisional appointments once every three months, and it has observed with concern that in the last few years the number of such employments was gradually increasing. Last year the commission took definite steps, more or less unsuccessful, to cut the number of provisionals down.

NEWSPAPER REPORTER UNCOVERS "SCANDAL"

One day recently one of the compilations of temporary employees made for the information of the commission fell into the hands of an active newspaper reporter who knew a good story when he saw it. The result was that the people of New York were informed one morning that the municipal civil service commission had authorized 2,274 employments of "temporary or emergency" employees beyond the four-month period for which they were authorized by law, some of them five or six years old. The commission promptly acknowledged the report as stated in the papers as correct, but pointed out that it was taken from an official document made for their own use. All the newspapers in the city took up the story and the civil service commission promptly reported to the mayor.

As it turns out, the list which had been prepared for the information of the commission contained a number of inaccuracies. For example, investigation of a statement that there were 17 prison keepers on provisional employment in the department of corrections since 1921 shows that 16 of these are legal employments made since January 1, 1927, and only one, a keeper at the reformatory in Orange county who had to have a special knowledge of a trade, had been held under provisional employment since 1921. The commission has repeatedly sought to obtain eligible candidates for the vacancy in Orange county but without success.

The commission's report to the mayor went into the situation fully, describing the various causes for the large number of alleged illegal employments. It pointed out the extraordinary task involved in meeting the demand for 2,500 additional patrolmen for the police department in 1926. Much of the other work of the commission in other directions appears to have been neglected in order to enable the police commissioner to appoint new patrolmen just as soon as he obtained appropriations with which to pay them. In order to do this, the commission had held three separate examinations for patrolmen in which it considered over 8,000 applications. The commission states:

> In 1925, 3,768 applications were filed for the position of patrolman. In 1924, 3,333. In 1926, including the applicants examined for patrolman, this commission examined 29,584 candidates. In 1925 this commission examined,

inclusive of applicants for patrolman, 30,251 candidates; in 1924 this commission examined 18,799 candidates; in 1926, this commission conducted 413 separate and distinct examinations; in 1925, 389 examinations; in 1918 this commission examined 15,197 candidates. These figures are exclusive of the oral and practical examinations conducted by our examining division in the labor class. For instance, in 1926 our examining division held 57 oral examinations in the labor class, and examined 923 candidates and 25 practical examinations in the labor class and examined 1,048 candidates.

It is needless for us to point out that in ten years this city has grown tremendously; that all departments have grown in personnel and in requirements. We desire to point out to you, however, that notwithstanding this natural and gradual growth in the city activity, the personnel of the examination division and the appropriation for its purposes have been decreased. In 1917 the examination division had 25 examiners. As late as 1919 it had at least three examiners more than the division at present has. It has always been customary for this examining division to employ expert help for the purpose of assisting in the conduct of examinations. Were the fund for this purpose large enough an increase in the permanent personnel of examiners would hardly be necessary because outside experts could be used frequently for the purpose of conducting examinations. We call your attention, however, to the history of the fund set aside in our budget for this purpose: In 1913, our per diem fund was $29,400, our special examination fund $4,500. In 1914, our per diem fund was $30,000, our special examination fund $6,650. In 1921, our per diem fund dropped to $7,445.69. In 1922, it dropped to $3,600. In 1924 anticipating the need for additional money in these funds we requested in our tentative budget that $18,500 be allowed us as a per diem fund for examiners. This was cut to $3,600.

With respect to the inadequacy of the salary schedules in the city service, the commission states:

You will find that many of the temporaries are working because titles are not paying adequate compensation. Take for illustration title, clerk grade 2. The attached list will show approximately 150 temporaries. A list for clerk grade 2 was promulgated by this commission on July 20, 1926, and has been certified down to number 464 on the list. We are constantly receiving declinations because the compensation offered, $960 and $1,000, is inadequate. We call your particular attention to the fact that since July 20, 1926, we have received from persons who were certified from our competitive list for clerk grade 2, 202 declinations of appointment upon the ground of inadequacy of salary, and 130 declinations upon other grounds; and during the year 1926, from persons who were certified from our competitive list for stenographer and typewriter grade 2, 215 declinations because of insufficiency of salary and 105 declinations for other reasons. Of course, if competitive employees refuse to accept employment because of inadequacy of compensation provisional appointments necessarily continue until acceptances are obtained.

MANY PROVISIONALS ARE IN ENGINEERING POSTS

In conclusion, the report to the mayor recommended that increased compensation be granted to certain titles; that more examiners and investigators be employed, and that increased compensation be given to the examiners so that the minimum salary would be at least $4,000, which, in the commission's opinion, is the lowest at which the assistance needed can be secured.

Mr. Thomas C. Murray, the director of examinations, after a careful examination of the list of provisionals, made the following statement in analysis of them:

I find upon investigation that the provisional appointees may be divided into several classes, that is: those who are permanently employed in the service as the result of competitive examination, and who have been permitted to receive additional compensation beyond the grade limits in accordance with the annual budget, or who have been detailed temporarily to a higher position, both classes being subject to promotion examinations; those serving in the positions which are unattractive to applicants owing to the small compensation or other reasons; those employed in civil engineering positions and other positions pending the result of competitive examination; this latter class is by far the greatest number.

Mr. Murray pointed out that of the total number of provisional employees 1,114 were in civil engineering positions, and that of these 653 are employed by the board of transportation. The commission has been unable to keep up with the demands of the board of transportation in connection with the construction program under way. The board, however, desires only qualified applicants and has followed the custom of giving examinations to applicants under the supervision of its own engineers.

BUDGET IS INCREASED

As a result of the report of the commission to the mayor, the board of estimate and apportionment heard an earnest plea from Abraham Kaplan, president of the commission, for an increase in the salaries of the present examining staff, three additional examiners, seven additional character investigators and $10,000 extra for the employment of per diem examiners with the limit of compensation for per diem examiners raised from $15 to $20. This was a compromise program worked out with the approval of the budget director. This plea was supported by President Samuel H. Ordway on behalf of the Civil Service Reform Association and was finally granted. Joseph V. McKee, the president of the board of aldermen, was alone in expressing opposition. He expressed displeasure at the fact that the civil service commission had not informed the board of estimate and apportionment of the situation with respect to temporary appointments last fall, when they were asking for their appropriations. The commission has uniformly requested more than they have received, but they have not made any statement with respect to the temporary or provisional appointments as an argument. Now the total annual budget for the commission is nearly $325,000, the highest it has ever been. This should remove all obstacles towards enabling the commission to proceed promptly with its examining work so as to clear the payrolls of all possible illegal provisional appointees so far as the holding of examinations will avail.

But the most serious problem revealed by the publication of the list of temporaries is that of the alleged inadequate salary schedules. The commission's records show that during the year 1926 there were over 1,700 declinations of appointments from persons on eligible lists, due to inadequacy of compensation offered. Most of these were in the engineering service. The commission recognizes this problem of the engineering service as the most serious with which it has to contend and has already recommended to the board of estimate and apportionment a reclassification of that service which the director of examinations has devised.

The question of a reclassification of the entire city service is raised by this situation. Until this is done and the commission given legal authority to keep the classification up to date, confusion is apt to continue indefinitely.

ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

III. THE TREND OF COUNTY EXPENDITURES

BY IVAN L. POLLOCK

State University of Iowa

Expenses of county government are increasing. Precise measurements are impossible because of inadequate data. :: :: ::

It is the custom to regard taxation as an evil—something which must be kept at a minimum. Alarmists view with apprehension the spectacular expansion of state and local expenditures during the post-war years and take a very pessimistic attitude toward the increases. Extravagance and inefficiency are charged against all classes of government spending agencies which are regarded as inherently prone to unwise expenditure and extravagance.

There is another view of the situation which is more hopeful and from which angle the recent increase in expenditures appears legitimate and unavoidable. The apparently enormous increase in public expenditures is to a considerable extent nominal and not real. The dollar has shrunk in value and prices are higher all along the line. Moreover it is the normal thing for expenditures to increase as civilization becomes more complex and as standards of life move upward. There are even a few who raise their voices to tell of the benefits of taxation and to show that public business is on the whole well conducted. The tax dollar which returns to society a dollar's worth or more of benefit or service is not wasted. It is a wise investment not an expense. Indeed, the failure to raise, appropriate, and expend a tax dollar for a needful public purpose which will return more than its value is extravagance. In addition to the specific benefit which we get from the tax dollar paid to carry on the functions of our form of government we must be mindful also of the general benefit of having a population that is learning how to run its government, and learning how to substitute efficiency for inefficiency and wise expenditure for waste and extravagance. Consideration of this phase of governmental expenditures is too frequently completely overlooked.

DEMAND FOR EXPANSION IN COUNTY GOVERNMENT

We are continually calling upon public administration to assume new functions and we are demanding that it perform long established functions in a better and therefore more expansive manner. This is especially true for counties as regards schools, roads, bridges, sanitation, poor relief and conservation. If progress is demanded along these lines such progress must be paid for. How much can be afforded for these things we do not know. But if a fair appraisal of the community benefits and advantages secured demonstrates an adequate return and shows that only through community effort our best ideals of civilization can be realized, we should be encouraged.

The conflicting views just stated when related to the fact that state and local expenditures do show a very decided trend upward call for an attempt to get at the facts; to find out if possible just what the real increase is and whether it is out of proportion when considered as a phase of changing conditions. Are county expenditures increasing too rapidly? Has the limit been reached? And in what direction is relief to be found? These questions can not be answered fully as regards county expenditures but some evidence, however inadequate, may be presented.

MEAGRE DATA

County government is still regarded as the dark continent in the field of American Government very largely because it is so difficult to secure accurate data relating to counties as a class and because the county has been disregarded or underestimated in importance by students who are willing to study very intensively the problems of national, state or municipal government. Several recent intensive studies of county government have been made in individual states, but not in sufficient number to provide adequate bases for comparative studies. General statements regarding this unit as of the whole United States can only be made therefore with the understanding that the data for confident generalizations are simply not available in usable form at the present time. Whatever may be said about the trend of county expenditures in the United States must therefore be stated with reservations and as being indicative only.

Even the chief source of county expenditure data is less inclusive than formerly. The department of commerce has seriously curtailed the material in *Wealth, Public Debt, and Taxation*, having in 1922 omitted entirely the report on county expenditures. It does present data on county debt and taxation which is the only valid guide available on the general trend in the cost of county government. In a few of the states, auditors or other state officials have been authorized to collect data on county financial operations. Some of the reports so compiled are excellent but their data can not be applied generally to the United States. Some of the good reports do not go back far enough to make comparisons possible and no two of them follow the same expenditure classification. The excellent studies made by the National Industrial Conference Board help very little in a study of county financial operations since they do not segregate the county financial operations from the operations of other local governmental bodies such as cities, towns, villages, school districts and other special districts which are all classed together as local. The result is that the taxation and debt figures collected by the census bureau constitute the only reliable source relating to county finances throughout the United States.

VARIETY IN SCOPE OF COUNTY FUNCTIONS

A further difficulty that must be taken into consideration in any attempt to get at the trend in county expenditures is interposed by the fact that even though complete expenditure data were available they would not be properly comparable since there is a wide variety of functions delegated to counties in different parts of the country. In some states the counties have a much larger share in the control and support of schools, highways and other projects than they have in others, thus involving larger direct expenditures as well as larger expenditures for interest and debt service. Or, to state in another way the thought in mind, no norm exists upon which to base strictly comparable conclusions.

This situation demonstrates the need for comprehensive studies by individual states; the desirability of the general collection of county financial data by states; and the importance of using so far as practicable comparable systems of expenditures classifications.

The tables on pages 386–387 are compiled from the census bureau figures and present the county revenue from taxation by states for the two years 1912 and 1922 and the county indebtedness as of the same two years. Since expenditures necessarily follow more or less closely tax revenue and debt figures it is clear from an examination of the table that the trend of county expenditures is decidedly upward. Supplemental data gleaned from state sources indicate that the upward curve has tended to flatten out somewhat since 1922, but to what extent it is impossible to state with any degree of accuracy.

NOMINAL INCREASE OF 142 PER CENT

Using Table I as a base and assuming that expenditures necessarily follow tax revenue and debt figures rather closely some idea of expenditure increases can be obtained. It will be noted that the increase in tax revenue for county purposes for the country as a whole was from $307,872,000 in 1912, to $745,000,000 in 1922. An increase of 142 per cent or more than two and one-third times pre-war revenue. This average does not of course apply to all of the states. In some states the increase was much greater than 142 per cent, and in about two-thirds of the states the increase was less than the average for the whole. An examination of the figures show that generalizations can not be made even for geographical sections and that states under apparently the same conditions show wide differences in revenue trends. In the West North Central group alone the increases range from 66 per cent in North Dakota to 256 per cent in Minnesota. It is clear, however, that the trend was upward.

Since the counties depend upon the general property tax for more than 90 per cent of their tax revenue the burden is especially onerous upon the land owners in the rural districts who find an ever increasing proportion of their meagre returns from land eaten up by taxation, while due to difficulties in administration, personal property escapes its proper share of the burden. Coupled with the decline in land values since 1920 this situation is becoming acute and ownership of agricultural land is coming to have more of the nature of a liability than that of an asset.

From the standpoint of county finance administration also the situation is acute. In Iowa, for instance, some 30 of the 99 counties of the state are meeting great difficulty in finding sufficient revenue to continue their ordinary functions. Due to state limits upon tax levies and decreased assessed value of agricultural lands these counties find their receipts so seriously curtailed that they can not carry on their ordinary services to the end of the present year without a release from legislative restrictions for which they are praying. This situation is developing a demand for a revision of tax laws and a demand for new bases upon which to impose taxes.

COUNTY DEBTS GROWING MORE RAPIDLY THAN TAXES

County indebtedness is increasing even more rapidly than county tax revenue. Table II shows that county indebtedness increased from $371,528,000 in 1912 to $1,272,979,999 in 1922—an increase of 238 per cent. Here again the divergence is so great that no generalization beyond the statement of fact is permissable. The increases apparently varied according to local conditions. Supplemental data for

TABLE I

COUNTY TAX REVENUE, 1912 AND 1922, FROM TAXES, LICENSES, PERMITS AND SPECIAL ASSESSMENTS

Compiled from *Wealth, Public Debt and Taxation, 1922*

(Expressed in thousands of dollars)

	1912	1922	Percentage of increase
Total County Tax Revenue, U. S.	307,872	745,000	142
New England	4.644	9,067	95
Maine	674	1,056	56
New Hampshire	689	1,086	57
Vermont	26	55	120
Massachusetts	2,892	5,718	98
Rhode Island	....	....	...
Connecticut	363	1,152	216
Middle Atlantic	36,314	88,762	144
New York	14,065	30,809	117
New Jersey	9,130	25,028	175
Pennsylvania	13,119	32,925	151
East North Central	55,103	189,615	243
Ohio	19,587	76,469	289
Indiana	8,977	33,500	273
Illinois	12.507	24,505	96
Michigan	7,794	31,820	308
Wisconsin	6,238	23,321	272
West North Central	52 215	117,823	127
Minnesota	7,283	25,947	256
Iowa	14.847	29,018	99
Missouri	9,326	16,364	77
North Dakota	4.394	7,184	66
South Dakota	3.690	8,442	129
Nebraska	6,075	12,089	99
Kansas	6,600	18,779	184
South Atlantic	32,727	88,578	163
Delaware	628	1,687	145
Maryland	4,386	8,955	104
Virginia	3,197	12,170	280
West Virginia	3,828	12,025	128
North Carolina	5,663	20,732	266
South Carolina	3,075	5,513	78
Georgia	7,650	15,133	97
Florida	4,300	12,363	187
East South Central	23,636	50,329	113
Kentucky	5,816	9,767	67
Tennessee	7,952	19,563	149
Alabama	4,710	12,123	138
Mississippi	5,158	8,876	88
West South Central	25,620	56.683	121
Arkansas	3,704	5,717	54
Louisiana	4,696	10,377	121
Oklahoma	5.487	13,326	143
Texas	11,743	27,263	132
Mountain	22,861	50,395	121
Montana	5,899	8,952	51
Idaho	2,608	7,036	168
Wyoming	1,143	2,546	125
Colorado	5,182	12,395	137
New Mexico	1,516	6,602	335
Arizona	3,044	6,626	117
Utah	1,909	3,084	73
Nevada	1,560	3,244	108
Pacific	54,742	93,748	70
Washington	11,963	17,463	46
Oregon	7,435	12,147	63
California	35 344	64.138	80

TABLE II

NET DEBT OF COUNTIES, 1912 AND 1922

Compiled from *Wealth, Public Debt, and Taxation*, 1922—*Public Debt*

(Expressed in thousands of dollars)

	1912	1922	Per cent increase, 1912–1922
Total County Net Debt	371,528	1,272,970	242.6
New England	6,055	14.556	140
Maine	1,463	2,546	74
New Hampshire	488	621	27.2
Vermont	26	136	422.9
Massachusetts	3,113	9,764	213
Rhode Island	....	....	...
Connecticut	964	1,490	54.5
Middle Atlantic	87,915	190,110	116
New York	23,310	45,866	96.8
New Jersey	33,809	73,854	118.4
Pennsylvania	30,796	70,390	128.6
East North Central	65,374	273,244	317
Ohio	34,845	94,490	171.2
Indiana	9,721	77,115	693.2
Illinois	11,555	28,632	147.8
Michigan	5,153	42,632	727
Wisconsin	4,100	29,479	618.9
West North Central	49,459	185,440	275
Minnesota	14,032	81,262	479.9
Iowa	9,580	43,228	351.2
Missouri	6,581	17,915	172.2
North Dakota	2,212	5.852	164.5
South Dakota	3,591	6,512	81.4
Nebraska	3,706	8,757	136
Kansas	9,777	21,998	125
South Atlantic	31,944	184,926	478
Delaware	1,389	5,961	329
Maryland	2.859	7,893	176
Virginia	5,544	22,102	298.7
West Virginia	2,443	24,859	917.5
North Carolina	18,196	67,012	850.2
Georgia	2,725	22,810	737.2
Florida	7,171	29,270	308.2
South Carolina	2,764	21,556	679.9
East South Central	39,651	87,874	121
Kentucky	4,569	12,340	170
Tennessee	16,521	43,528	163.5
Alabama	7,939	24,025	202
Mississippi	10,624	9,836	—7.4
West South Central	41,636	142,712	242
Arkansas	2,877	4,680	62.7
Louisiana	3,154	19,943	532
Oklahoma	7,937	21,850	175.3
Texas	27,669	96,240	247.8
Mountain	24,132	81,168	236
Montana	6,492	27,340	321
Idaho	3,322	11,239	236.4
Wyoming	973	2,434	151.2
Colorado	5,584	7,784	39.4
New Mexico	3,055	3,114	2.0
Arizona	2,478	20,086	710
Utah	937	6,427	586.1
Nevada	1,292	2,717	110.3
Pacific	25,358	95,175	275
Washington	10,300	21,920	112.8
Oregon	2,614	19,529	647.0
California	12,444	53,726	331.8

more recent years indicate, as for taxation, a flattening out of the upward curve in county indebtedness. There is a good deal of concern felt about the debt situation. The increase is undoubtedly a result of the urge for better equipment and better service. Better roads, better school buildings and other public buildings are demanded and secured and the debt service has come to be one of the largest items of expenditure. In so far as the increased debt is for capital outlay it may perhaps be regarded as within reason. In so far as the increase is for the purpose of meeting current needs it has a more serious aspect.

Unless it is borne in mind, however, that the dollar does not remain constant as a unit of measure of value, any unadjusted financial figures covering a period of time will be deceptive. This factor is undoubtedly responsible for a considerable portion of the increases in county taxation and indebtedness. From 1913 to 1922 the dollar shrank approximately two-fifths in purchasing power. This means that if there had been no inflation and if the counties had purchased the same amount of goods and services, the totals expressed in dollars would have been about one-third less. With respect to indebtedness, had the same amount of goods and services been purchased, the increase in indebtedness would have been proportionately less, but still more than double the 1912 figures.

The decreased purchasing power of the dollar has involved a very decided increase in the nominal cost of government but after making due allowance for this factor the cost of carrying on the old established functions of county government continue to show an increase. This is due in part to the increasing volume of service rendered and in part to the demand that a different and more expensive quality of service be rendered. During recent years the demand for improved highways and bridges has led to a very rapid and expensive development calling for drastic increases in expenditures for construction and maintenance purposes. Better schools and increases for debt services have constituted the other most important items. In addition to these main items there are the increasing outlays for social welfare purposes. Extended sanitation and health activities and better and more humane methods of caring for the poor and unfortunate members of society have added to the county tax burden and the demands are not yet satisfied.

That county expenditures constitute a burden upon the income of tax payers can not be denied but there is no acceptable standard which can be applied in order to determine whether this burden is relatively heavier than it should be. As long as living standards continue to rise and individuals find the means to enjoy an ever increasing number of luxuries such as movies, radios, fur coats, candies and spectacular athletic exhibitions the amounts spent for coöperative benefits seem to be well within reason. One illustration must suffice. A very conservative estimate of the cost of the operation and maintenance of the more than 650,000 automobiles in the agricultural state of Iowa amounts to more in a year than the total taxes collected in the state for all governmental purposes, federal, state, and local for the same period. It is possible of course that neither the governmental services nor the automobiles are within the means of the people to afford them. But in what manner may this capacity be measured?

It is clear that county expenditures as indicated by tax revenue receipts and borrowings are increasing at a phenomenal rate. It has been pointed out in several recent studies that this rate of increase exceeds by far the rate of increase of wealth and that the tax burden requires an ever increasing proportion of the total income available for all purposes. The tax exaction is regarded as a burden and the benefits though they are very real and of vast social importance do not make the same appeal to the tax payer as benefits he might enjoy through the more direct use of the money for individual purposes.

THE BONDED DEBT OF 214 CITIES

AS AT JANUARY 1, 1927

BY C. E. RIGHTOR

Chief Accountant, Detroit Bureau of Governmental Research, Inc.

Mr. Rightor's comparative debt statement is an annual feature of the REVIEW. *He finds the trend still upward.* :: :: :: ::

THE tabulation presents the total bonded indebtedness of 214 cities as at January 1, 1927, and this total classified as to general public improvements, schools, and utilities; the sinking fund total, similarly classified; the net bonded debt; the net bonded debt excluding self-supporting indebtedness, and the per capita debt for same.

The presentation is similar to that of former years, except that the ranking of cities according to the net debt is omitted, as the comparative position of any city may be ascertained easily by inspection if desired. To conserve space, the sinking fund analysis is reported in percentages, rather than in the exact amounts.

It is desired, primarily, to indicate the total amount of bonded indebtedness outstanding as a liability of the assessed property of the city. Ordinarily, the bonds are issued by the city, but in numerous instances it is found that the school board has independent power to issue bonds. Occasionally, they may be issued by a quasi-independent board having authority over a larger metropolitan district. But in any case the property boundaries of the city and the school or other board are co-terminous or nearly so.

The extent of indebtedness for revenue-producing utilities makes it desirable to indicate the relief to the general tax rolls for debt charges which is being afforded through revenues in other forms. This is shown in the difference between the two columns "total net debt" and "net debt excluding self-supporting." The per capita debt reported, accordingly, is for only such portion of the total debt as must be retired ultimately by direct property taxes. Even here difficulties arise, and several cities having self-supporting utilities reported that the utility bonds are to be retired from general taxation.

SPECIAL ASSESSMENT DEBT OMITTED

As has been the custom heretofore, the table omits special assessment debt except the city's portion, and current loans. It is assumed that special assessments are to be made not as *ad valorem* tax levies, but upon assessments against the benefited property only. A comparative table cannot give consideration to debt exemptions established by state and local legislation, as the results of the varying practices among states would impair the value of the figures for comparative purposes.

The results of the compilation are set forth for such limited use as may be made of the figures. Of necessity the tabulation must be in condensed form, so that definite conclusions may safely be drawn only when the detailed data in each case are studied. With only a single purpose in mind in compiling the data, numerous conditions make the problem a complicated one. Varying areas of political subdivisions incurring debt, difficulties of classification, etc., are common problems. For example, the school district frequently is not co-terminous with the city, and more occasionally is an independent political unit. Park, sanitary, port, flood prevention, and other metropolitan districts may exceed the city limits, and the question arises what portion of the debt shall be reported. Difficulties of classification arise in determining whether library is a general or a school debt, whether markets are a general improvement or a utility, etc. In each case, attempt is made to follow the procedure which will be most nearly uniform for comparative purposes.

How shall the sinking fund be classified? In some cases it will be noted the table reports a sinking fund but with no distribution by purposes, as no basis was reported. Also several cities report no sinking fund, which condition, rather than indicating an inadequate financial procedure, may be evidence merely that such city has only serial bonds outstanding.

To a constantly increasing extent, municipalities are issuing serial bonds and restricting maturities to conform with the reasonable period of usefulness of the improvement. The *Bond Buyer* estimates that the average life of all serials is possibly only seven or eight years, rather than the ten to fifteen years formerly estimated.

RANGE IN NET DEBT

Analysis of the figures of net non-self-supporting debt shows that the city having the lowest debt, excluding Washington which has no debt, is Moline, with a per capita debt of $6.72. The highest per capita city is Miami, $314.50, but it is probable that the estimate of its population is too low and does it an injustice. For the Canadian cities the range is between the same cities as in 1926—from Winnipeg with a per capita of $63.88, to Edmonton, $296.17; both cities showing a slight increase during the year.

It is interesting to observe that the average net per capita debt of cities by the five census groups, for those cities reporting in this tabulation, increases with population. The average per capita debt for the sixty-two reporting cities in Group V is $62.92; and increases gradually by groups to $111.86 for the thirteen cities in Group I (omitting Washington). In this connection, the census bureau's *Financial Statistics of Cities* for 1925, which includes 247 cities over 30,000, reports a net per capita debt of $114.33, but this figure includes self-supporting debt which is omitted in the per capita figures of this table. For sixteen Canadian cities, the net debt excluding self-supporting is $117.40 per capita.

THE TREND OF MUNICIPAL DEBT

The census bureau reports also, for 146 cities for which data have been compiled by it since 1903, that the average net bonded debt has increased from $50.94 per capita in 1905 to $119.45 in 1925, or an increase of 134 per cent in twenty years.

An analysis of the data submitted

by thirteen of the largest cities, excluding New York City and Washington, for the past five years disclosed that the aggregate net debt had increased from $950,700,000 on January 1, 1923, to $1,269,900,000 on January 1, 1927, or 33.5 per cent. By purposes, this net increase is distributed $181,300,000, or 57 per cent, for general public improvements; $61,200,000, or 19 per cent, for schools; and $75,700,000, or 24 per cent, for utilities.

The *Bond Buyer* reports sales of state and municipal bonds during 1926 amounting to $1,360,000,000. It is safe to assume that maturities are not occurring at this rate, and hence the net debt of our municipalities is definitely upward. A note of caution, however, might be added that the aggregate compilation of sales is not a true index of the net increase in debt, as maturities and sinking fund accretions serve as a reducing offset, probably reducing the net annual increase to approximately two-thirds of a billion dollars. This condition is a natural one, for if the population of our cities grows apace, there are new needs—and opportunities—for such physical facilities as highways, sewers, water supply, schools and other public buildings, parks, etc. Their cost cannot reasonably be met, especially so soon after the World War, from taxes and current revenues. It seems unreasonable to compare the trend of local debt with that of Federal debt unless the conditions affecting both are taken into account.

Certain it is that the taxpayers look with favor upon the action of their local officials in providing the means for added public welfare, when they continue to approve bond issues so liberally. Again quoting the *Bond Buyer*, a tabulation made by it discloses that during the first three months of 1927 the voters in 149 municipalities in 30 states approved bond issues totaling $50,800,000. For example, Chicago recently voted $21,390,000 for 13 separate proposals, by a five to one vote. Every election tells a similar story.

COMPARISON WITH ASSESSED VALUATION

It is of interest to know the relation of the total gross or net debt to the assessed valuation of any city. Such information may be obtained by reference to the assessed valuations reported by the cities in the comparative tax rate data published in the December, 1926, REVIEW.

NEW YORK BANKING LEGISLATION

The continued growth in municipal debt and the necessity for many cities to sell their bonds in the New York market, leads to an interest in knowing the future of the banking legislation in that state. The 1927 legislature gave consideration to several bills which proposed a decided liberalization of securities which would be legal investments for savings banks and trusts in that state. These bills seemed to be too radical, however, and the Campbell bill was finally enacted. This bill changed the default provisions of the law, and also legalized the bonds issued prior to May 1, 1929, by any city, outside New York state, the stock or bonds of which have been authorized investments for savings banks at any time since January 1, 1925, provided the city had a population in the 1920 census of not less than 100,000 and has the power to levy taxes for their payment without any limitation as to rate or amount. The first provision benefits a few cities, as Fort Worth, St. Joseph and Memphis; and the second provision places Philadelphia and Richmond upon the legal list. The bill appears to be interim legislation, pending the study before the next legislature of exactly what the present day requirements of the bond market are, possibly along the lines of the Mastick-Fisher bill, which proposed a permanent legal status for the no-tax-limit bonds of large cities upon either a population or property valuation basis.

THE MODEL BOND LAW

Widespread interest has been manifested in the model bond law, promulgated by the National Municipal League, and subsequent legislation affecting municipal indebtedness may be expected in several states to be based at least in part upon the sound financial features advocated in that law. The essential features of that law merit careful study. Although the tendency is definitely toward serial bonds, a minority of the committee which drafted the law suggested that large cities be permitted to issue sinking fund bonds.

Blanks were sent to 280 cities in the United States and 19 cities in Canada. It is a matter of regret that many cities failed to reply to these inquiries, but the cordial coöperation of the larger number leads to the belief that other cities may reply in the future. The following cities which did not report this year, reported one year ago, and their debt condition may be learned from the NATIONAL MUNICIPAL REVIEW for June, 1926: Memphis, Houston, Kansas City, Kansas, Lowell, El Paso, Utica, Sacramento, Wheeling, Mobile, Springfield, Ills., Jackson, Topeka, Decatur, Beaumont, Mt. Vernon, Charleston, W. Va., York, Newport News, Greensboro, Stockton, Madison, Lexington, Evanston, Columbus, Ga., Chicopee, Williamsport, Joliet, Rock Island, Council Bluffs, Oshkosh, Port Arthur, Hagerstown, Middletown, Newark, La Crosse, and Newburgh.

The following cities have not reported for at least two years: Dallas, Scranton, Fort Wayne, Waterbury, Gary, Portland, Me., Charleston, S. C., East St. Louis, Troy, Pawtucket, Racine, Cicero, Huntington, Covington, Augusta, Newton, Charlotte, Hammond, Medford, McKeesport, Galveston, Montgomery, San Jose, Pueblo, Muncie, Butte, Columbia, Stamford, Aurora, Portsmouth, Ohio, Quincy, Kokomo, Danville, Easton, Waltham, Green Bay, Elgin, Sheboygan, Anderson, Marion, Steubenville, Mansfield, Fort Smith, Asheville, Zanesville, and Raleigh; and Halifax, Hull, and Verdun, Canada.

BONDED DEBT OF 214 CITIES AS AT JANUARY 1, 1927

Compiled by the Detroit Bureau of Governmental Research, Inc.

From Data Furnished by Members of the Governmental Research Conference, City Officials, and Chambers of Commerce

City	Census July 1, 1926	General improvement bonds	Public school bonds	Public utility bonds	Total gross bonded debt	Sinking fund				Total net bonded debt	Net debt, excluding self-supporting	Per capita net debt excluding self-supporting
						Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)			
Group I *Population 500,000 and over*												
1. New York, N. Y.[1]	5,924,000	$523,357,910	$278,424,039	$797,679,073	$1,599,461,022	$294,405,390	..	..	..	$1,305,055,632	$970,000,000	$163.74
2. Chicago, Ill.[2]	3,048,000	176,975,300	......	6,955,500	183,930,800	......	..	..	..	183,930,800	183,930.800	60.34
3. Philadelphia, Pa.[3]	2,008,000	395,740,100	50,381,000	......	446,121,100	88,529,662	86	14	..	357,591,438	345,591,438*	167.12
4. Detroit, Mich.[4]	1,290,000	91,350,266	57,305,350	59,253,115	207,908,731	18,816,682	41	35	24	189,092,049	142,668,027	110.59
5. Los Angeles, Calif.[5]	1,222,500	50,457,500	62,696,392	100,041,650	213,195,542	13,477,717	9	37	54	199,717,825	107,002,508*	87.52
6. Cleveland, Ohio[6]	960,000	88,743,590	28,970,000	35,959,827	153,673,418	25,499,630	80	12	8	128,173,788	94,415,950	98.35
7. St. Louis, Mo.	830,000	32,935,000	2,239,000	8,427,000	43,601,000	10,393,804	77	6	17	33,207,196	26,538,546	31.97
8. Baltimore, Md.[7]	808,000	110,110,643	14,459,000	27,052,000	151,621,643	36,045,881	93	..	7	115,575,762	91,227,743	112.91
9. Boston, Mass.[8]	787,000	78,188,051	14,129,300	47,973,700	140,291,051	45,211,065	63	17	20	95,079,986	55,973,786	71.00
10. Pittsburgh, Pa.	637,000	38,368,000	18,865,800	8,906,800	66,140,600	3,167,832	38	52	10	62,972,768	54,372,539	85.35
11. San Francisco, Calif.[9]	567,000	20,964,800	16,475,000	46,893,000	84,332,800	2,638,600	40	14	46	81,694,200	78,402,200	138.27
12. Buffalo, N. Y.[10]	544,000	37,580,769	25,242,191	16,616;458	79,439,418	5,718,675	44	..	56	73,720,743	60,334,824	110.91
13. Washington, D. C.	528,000	No Bond	ed Debt.									
14. Milwaukee, Wis.	517,000	31,252,100	8,097,750	105,000	39,454,850	2,787,750	79	20	1	36,667,100	36,577,100	70.74
Group II *Population 300,000 to 500,000*												
15. Newark, N. J.	459,000	$35,574,000	$15,378,200	$16,444,000	$67,396,200	$12,613,756	58	23	19	$54,782,444	$40,677,491	$88.62
16. Minneapolis, Minn.[11]	434,000	24,696,588	20,578,210	4,082,000	49,356,798	5,738,311	..	..	..	43,618,487	43,618,487	100.50
17. New Orleans, La.[12]	419,000	38,544,500	2,298,000	......	40,842,500	......	..	..	..	40,842,500	40,842,500	97.47
18. Seattle, Wash.[13]	411,578	17,637,500	9,312,000	36,927,500	63,877,000	1,960,625	49	15	36	61,916,375	25,705,489	62.05
19. Cincinnati, Ohio[14]	411,000	54,986,684	13,270,000	42,895,230	111,151,914	32,744,949	61	7	32	78,406,965	52,016,114	126.56
20. Kansas City, Mo.	375,000	16,913,400	19,371,500	13,120,000	49,404,900	9,336,400	28	58	14	40,068,500	28,270,500	61.62
21. Indianapolis, Ind.[15]	367,000	14,168,160	10,757,660	......	24,925,820	1,695,243	59	41	..	23,266,577	23,266,577	63.39
22. Rochester, N. Y.	321,000	17,735,800	9,992,910	11,485,500	39,214,200	5,384;645	32	13	55	33,829,565	25,327,767	78.90
23. Jersey City, N. J	318,000	18,993,833	12,786,000	18,716,255	50,496,088	9,888,018	44	15	41	40,608,070	25,916,538	81.50
24. Louisville, Ky.[16]	311,000	15,358,500	5,466,400	1,079,000	21,903,900	3,388,659	82	7	11	18,515,241	17,803,374	57.25
Group III *Population 100,000 to 300,000*												
25. Toledo, Ohio	295,000	$23,372,245	$11,946,000	$1,877,000	$37,195,245	$6,588,576	87	13	..	$30,606,669	$28,729,669	$97.39
26. Columbus, Ohio[17]	285,000	18,375,516	10,602,750	9,490,000	38,468,266	12,975,672	57	25	18	25,492,594	19,496,333	68.41
27. Denver, Colo.	285,000	760,000	10,278,500	21,573,600	32,612,100	337,936	87	..	13	32,274,164	10,746,445	37.71
28. Portland, Ore.[18]	282,383	23,110,776	6,739,920	15,578,000	45,428,696	4,607,526	47	..	53	40,821,170	27,757,864	98.30
29. Providence, R. I.	275,900	14,760,000	6,200,000	18,078,000	39,038,000	13,590,041	48	17	35	25,447,959	12,107,761	43.88
30. Oakland, Cal.[19]	261,000	3,263,641	13,191,554	9,874,717	26,329,912	......	..	..	..	26,329,912	16,455,195	63.05
31. St. Paul, Minn.	248,000	13,484,000	9,546,000	7,541,000	30,571,000	3,088,060	65	..	35	27,482,940	21,007,570	84.71
32. Atlanta, Ga.	224,300	4,596,000	3,793,000	2,842,000	11,231,000	2,101,134	59	10	31	9,129,866	6,937,437	30.93
33. Omaha, Neb.[20]	216,000	13,773,317	10,830,750	11,392,000	35,996,067	4,338,987	17	19	64	31,657,080	23,068,751	106.80
34. Birmingham, Ala.	211,000	7,470,500	7,397,000	190,000	15,057,500	782,368	100	..	..	14,275,132	14,275,132	67.65
35. Akron, Ohio	208,435	20,300,919	7,456,746	10,343,000	38,100,665	2,340,843	52	13	35	35,759,822	26,228,083	125.83

BONDED DEBT OF 214 CITIES AS AT JANUARY 1, 1927—*Continued*

City	Census July 1, 1926	General improvement bonds	Public school bonds	Public utility bonds	Total gross bonded debt	Sinking fund				Total net bonded debt	Net debt, excluding self-supporting	Per capita net debt excluding self-supporting
						Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)			
GROUP III—*Continued* *Population 100,000 to 300,000*												
36. San Antonio, Texas	205,000	$14,993,500	$3,493,250	$6,949,000	$25,435,750	$1,135,560	49	29	22	$24,300,190	$17,601,105	$85.86
38. Worcester, Mass.	193,000	6,172,000	1,173,500	5,340,000	12,685,500	4,263,107	47	5	48	8,422,483	5,117,463	26.52
39. Richmond, Va.[21]	189,000	22,319,185	4,385,395	6,748,550	33,483,130	8,019,837	..	..	..	25,433,293	18,984,743*	100.44
40. Syracuse, N. Y.	185,000	9,011,231	8,308,022	4,421,375	21,770,628	1,279,874	48	42	10	20,490,754	16,205,004	87.59
41. New Haven, Conn.	182,000	10,935,000	621,000	......	11,556,000	949,186	..	..	..	10,606,814	10,606,814	58.27
42. Dayton, Ohio	177,000	9,709,348	6,324,000	3,942,000	19,975,348	3,153,173	100	..	..	16,822,175	12,880,175	72.77
44. Norfolk, Va.[22]	174,000	17,509,134	4,786,080	15,513,286	37,808,500	4,826,371	86	..	14	32,982,129	18,152,983	101.32
45. Youngstown, Ohio	165,000	7,880,938	4,013,500	1,150,000	13,044,438	2,802,879	73	27	..	10,241,559	9,091,559	55.10
47. Hartford, Conn.	164,000	4,653,481	9,735,600	4,915,000	19,301,081	2,836,624	57	24	19	16,467,457	12,088,936	73.71
48. Fort Worth, Texas	159,000	9,423,000	4,400,500	4,609,000	18,432,500	1,974,086	63	5	32	16,458,414	12,488,100	78.54
49. Grand Rapids, Mich.	156,000	4,771,000	5,612,000	3,548,000	13,931,000	1,095,217	41	..	56	12,835,783	9,896,040	63.43
50. Bridgeport, Conn.	155,000	9,151,000	4,298,000	......	13,452,000	......	..	..	..	13,452,000	13,452,000	86.79
51. Des Moines, Iowa	146,000	5,664,779	8,265,500	5,000,000	18,930,279	359,784	17	..	83	18,570,495	13,869,182	91.99
52. Springfield, Mass.	145,000	9,161,500	3,297,900	1,915,000	14,374,400	142,000	..	..	100	14,232,400	12,457,400	85.91
53. Paterson, N. J.	143,000	6,198,468	6,959,500	3,526,896	16,684,864	2,340,517	61	36	..	14,344,347	10,817,451	75.65
55. Nashville, Tenn.[23]	137,000	8,120,000	1,183,000	3,014,000	12,317,000	600,447	..	..	..	11,746,553	11,746,553	85.74
56. Jacksonville, Fla.[24]	137,000	6,873,000	4,698,000	1,750,000	13,321,000	1,674,683	85	15	..	11,616,317	9,896,317	72.23
57. Flint, Mich.	136,000	6,039,000	7,814,400	3,198,500	17,081,900	604,382	14	15	71	16,477,518	13,708,204	100.06
58. Oklahoma City, Okla.	135,000	5,414,500	5,166,400	5,667,000	16,247,900	5,245,806	38	30	32	11,002,091	7,038,127	52.13
59. Trenton, N. J.	134,000	8,780,570	5,381,050	1,019,000	15,180,620	2,875,103	55	26	19	12,305,517	11,832,327	88.30
60. Salt Lake City, Utah	133,000	3,198,500	3,616,000	2,727,700	9,512,200	668,757	24	76	..	8,873,443	6,145,743,	46.21
61. Tulsa, Okla.	133,000	3,857,361	4,824,000	9,316,000	17,997,361	2,020,992	34	39	27	15,976,369	15,976.369	120.12
62. Camden, N. J.	131,000	7,302,685	3,676,000	1,215,725	12,194.410	2,786,919	77	16	7	9,407,461	8,387,187*	64.02
63. Fall River, Mass.[25]	131,000	11,255,300	......	1,178,000	12,433,300	2,177,777	59	..	41	10,255,523	10,255,523	78.28
64. Wilmington, Del.[26]	124,000	5,876,600	1,350,000	3,850,000	11,076,600	418,800	100	..	..	10,657,800	6,807,800	54.90
65. Cambridge, Mass.	122,000	7,731,150	735,700	984,000	9,432,900	3,163,299	88	..	12	6,269,601	5,670,324	46.48
66. Erie, Pa.	120,000	4,235,000	3,618,000	230,000	8,113,000	559,939	72	..	28	7,553,061	7,553,061	62.94
67. New Bedford, Mass.[27]	119,539	9,561,000	2,503.000	1,367,000	13,431,000	845,274	88	..	12	12,585,726	11,375,726	95.16
68. Albany, N. Y.	119,000	9,774,207	3,201,100	3,011,000	15,989,307	1,643,968	78	..	22	14,345,340	11,694,974	98.27
70. Yonkers, N. Y.	116,000	8,793,663	7,752,570	2,810,750	19,356,983	......	..	..	..	19,356,983	16,516,233	142.64
71. Reading, Pa.	114,000	3,021,000	5,603,300	932,000	9,556,300	877,534	28	63	9	8,678,766	7,746,766	67.95
72. Duluth, Minn.	113,000	3,169,000	4,475,000	3,435,000	11,079,000	59,036	39	61	..	11,019,961	7,584,964	67.12
74. Canton, Ohio	110,000	6,419,430	7,367,000	1,693,637	15,480,067	2,730,822	94	6	..	12,749,245	11,055,608	100.51
75. San Diego, Calif.	110,000	2,016,066	3,218,550	10,028,168	15,262,784	132,342	..	..	..	15,130,442	6,662,514	60.57
77. Spokane, Wash.[28]	109,000	3,186,200	1,977,000	1,432,000	6,595,200	1,782,273	36	54	10	4,812,927	3,559,339	32.65
78. Elizabeth, N. J.	107,000	903,500	4,418,350	......	5,321,850	529,000	..	..	..	4,792,850	4,792,850	44.79
79. Tacoma, Wash.[29]	106,000	4,687,000	2,686,000	6,563,995	13,936,995	1,840,964	98	1	1	12,096,031	5,553,619	52.39
80. Lynn, Mass.	104,000	3,341,660	1,874,000	1,400,500	6,616,160	821,418	48	..	52	5,794,742	4,820,420	46.35
82. Tampa, Fla.	102,000	8,028,500	4,503,000	2,875,000	15,406,500	1,297,493	95	4	1	14,109,007	11,247,012	110.26
83. Somerville, Mass.	100,000	608,000	849,000	......	1,457,000	......	..	..	..	1,457,000	1,457,000	14.57

GROUP IV *Population 50,000 to 100,000*											
85. Knoxville, Tenn.	98,800	$10,156,940	$1,818,500	$4,427,000	$16,402,400	$710,808	..	..	..	$15,691,632	$11,264,632*	$114.01
86. Long Beach, Calif.[30]	97,700	5,907,494	7,270,321	4,235,000	17,412,815	724,688	27	68	5	16,688,127	12,491,152	112.85
87. Evansville, Ind.	95,100	1,990,300	2,145,400	......	4,135,700	65,744	100	..	..	4,069,956	4,069,956	42.79
88. Savannah, Ga.	94,900	4,191,500	381,000	250,000	4,822,500	267,000	100	..	..	4,555,500	4,305,500*	45.36
89. Allentown, Pa.	94,600	1,339,200	3,571,000	82,200	4,992,400	594,929	20	78	2	4,397,471	4,327,010*	45.74
90. Lawrence, Mass.	93,500	3,394,750	1,824,500	319,000	5,538,250	24,263	..	..	100	5,513,987	5,219,250	55.82
91. Schenectady, N. Y.	93,000	4,750,700	2,805,900	808,500	8,365,100	80,548	85	..	15	8,284,552	7,641,536	82.17
92. Wichita, Kan.	92,500	3,616,543	1,900,500	......	5,517,043	150,000	67	33	..	5,367,043	5,367,043	58.02
94. Bayonne, N. J.	91,000	2,502,678	4,659,400	4,015,656	11,177,734	2,107,229	50	49	1	9,070,505	5,060,531	55.61
95. Hamtramck, Mich.	87,800	1,125,180	3,037,500	361,000	4,523,680	292,130	73	27	..	4,231,550	3,870,550	44.01
96. Harrisburg, Pa.	84,600	4,054,000	4,186,500	......	8,240,500	369,533	27	73	..	7,870,967	7,870,967	93.04
97. Manchester, N. H.	84,000	3,125,500	2,179,000	142,000	5,446,500	182,222	100	..	..	5,264,278	5,122,278	60.98
98. Peoria, Ill.	82,500	150,000	657,000	......	807,000	......	..	..	..	807,000	807,000	9.78
99. South Bend, Ind.	81,700	1,000,000	3,358,000	1,050,000	5,408,000	185,065	83	..	17	5,222,935	4,204,040	51.45
101. Rockford, Ill.	78,400	671,900	1,432,500	350,000	2,454,400	266,000	44	37	19	2,188,400	2,188,400	27.91
102. St. Joseph, Mo.	78,400	2,861,850	1,143,000	......	4,004,850	529,588	73	27	..	3,475,262	3,475,262	44.32
103. Wilkes-Barre, Pa.	78,300	2,741,000	500,000	......	3,241,000	249,337	100	..	..	2,991,663	2,991,663	38.21
104. Sioux City, Iowa	78,000	1,910,000	2,100,000	100,000	4,110,000	466,170	84	16	..	4,643,830	4,543,830	58.25
105. Highland Park, Mich.	77,000	3,142,400	4,818,000	1,346,626	9,307,026	2,606,262	32	42	26	6,700,764	6,031,455	78.33
107. Little Rock, Ark.	75,900	1,908,000	2,018,000	......	3,926,000	11,044	100	..	..	3,914,956	3,914,956	51.58
110. Saginaw, Mich.[25]	73,300	3,276,500	......	1,792,000	5,068,500	592,787	74	..	26	4,475,713	2,837,406*	38.71
111. Lansing, Mich.[31]	73,200	1,903,460	......	5,156,200	7,059,660	491,431	17	..	83	6,568,229	1,820,401	24.86
112. Binghamton, N. Y.	72,900	3,150,250	3,350,225	95,000	6,595,475	212,927	100	..	..	6,382,548	6,287,548	86.24
115. Chattanooga, Tenn.	72,200	6,491,700	2,248,500	......	8,740,200	225,789	..	..	..	8,514,411	8,514,411	117.93
116. Johnstown, Pa.	72,200	4,606,500	4,286,000	......	8,892,500	1,185,926	47	53	..	7,706,574	7,706,574	106.73
117. Terre Haute, Ind.	71,900	1,620,000	1,650,000	......	3,270,000	185,885	58	42	..	3,084,115	3,084,115	42.87
118. Winston-Salem, N. C.	71,800	4,659,874	2,488,000	2,968,126	10,116,000	161,006	100	..	..	9,954,994	6,986,867	97.31
119. Hoboken, N. J.	71,000	7,291,742	3,667,635	117,000	11,076,376	1,572,851	64	33	3	9,503,526	9,441,288	132.97
121. Chester, Pa.	70,400	2,867,000	1,835,000	......	4,702,000	1,073,731	50	50	..	3,628,269	3,628,269	51.53
122. Springfield, Ohio	70,200	1,681,517	1,612,492	255,000	3,549,009	732,062	85	15	..	2,816,947	2,561,947	36.49
123. Miami, Fla.	69,754	14,743,830	9,294,000	1,820,000	25,857,830	2,196,394	84	12	4	23,661,436	21,937,386	314.50
124. New Britain Conn.	69,600	1,960,000	3,041,000	1,596,000	6,597,000	670,996	27	18	55	5,926,004	5,001,000	71.85
126. Passaic, N .J.	69,000	4,600,060	1,918,250	1,940,000	8,458,310	910,223	48	52	..	7,548,087	5,608,087	81.27
128. Berkeley, Calif.	67,800	531,502	2,592,750	......	3,124,253	57,651	..	100	..	3,066,602	3,066,602	45.23
129. Altoona, Pa.	67,000	1,196,000	2,135,000	707,000	4,038,000	900,795	78	22	..	3,137,205	2,430,205	35.85
132. Brockton, Mass.	65,343	1,910,350	788,750	1,500,700	4,199,800	584,008	..	..	100	3,615,792	2,699,100	41.31
135. Bethlehem, Pa.	64,400	2,285,000	4,000,900	1,676,000	7,961,900	1,217,314	52	48	..	6,744,586	6,744,586	104.73
136. Union City, N. J.	63,600	3,645,584	1,655,500	......	5,301,084	658,376	..	..	..	4,642,708	4,642,708	73.00
137. Quincy, Mass.	63,000	2,043,500	2,172,500	862,000	5,078,000	......	..	..	..	5,078,000	4,216,000*	66.92
138. Lincoln, Neb.	62,000	480,000	4,487,400	359,600	5,327,000	74,975	9	13	78	5,252,025	4,951,175	79.82
139. Roanoke, Va.	61,900	4,243,000	1,900,000	......	6,143,000	626,074	..	..	..	5,516,926	5,516,926	89.12
140. East Orange, N. J.	61,700	2,639,500	2,199,245	1,499,000	6,337,745	1,356,758	20	27	53	4,980,987	4,203,417	68.12
141. Holyoke, Mass.[32]	60,400	2,393,000	81,000	2,214,000	4,688,000	507,680	55	..	45	4,180,320	2,474,000	40.96
142. Fresno, Calif.	60,200	695,000	4,210,000	......	4,905,000	......	..	..	..	4,905,000	4,905,000	81.48
143. Portsmouth, Va.	59,900	5,178,700	835,000	3,150,000	9,163,700	950,712	30	..	70	8,212,988	5,730,256	95.66
145. Lakewood, Ohio	59,500	3,518,000	4,483,870	179,500	8,181,370	1,141,961	99	..	1	7,039,409	6,875,950*	115.56
146. Shreveport, La.	59,500	2,045,500	2,221,000	2,435,000	6,701,500	327,789	8	92	..	6,373,711	3,938,711	66.19
147. Macon, Ga.	59,200	1,289,000	500,000	540,000	2,329,000	54,446	100	..	..	2,274,554	1,734,554	29.30
149. Pasadena, Calif.[33]	58,400	4,679,191	5,075,000	2,337,759	12,091,950	273,470	50	..	50	11,818,480	9,616,796	164.67
150. Niagara Falls, N. Y.	58,300	4,937,650	4,488,119	1,815,130	11,240,899	......	..	..	..	11,240,899	9,425,769	161.67
151. Wichita Falls, Texas	58,026	2,720,000	1,770,000	943,000	5,433,000	282,561	20	40	40	5,150,439	4,321,907	74.48
152. Lancaster, Pa.	57,100	985,000	2,000,000	......	2,985,000	251,013	..	100	..	2,733,987	2,733,987	47.88
158. Kalamazoo, Mich.	54,500	129,500	2,499,000	78,000	2,706,500	27,640	..	100	..	2,678,860	2,600,860	48.75
159. Atlantic City, N. J.	53,800	13,777,300	4,307,000	2,990,000	21,074,300	3,375,687	58	13	29	17,698,613	15,662,598	29.11

BONDED DEBT OF 214 CITIES AS AT JANUARY 1, 1927—*Continued*

City	Census July 1. 1926	General improvement bonds	Public school bonds	Public utility bonds	Total gross bonded debt	Sinking fund				Total net bonded debt	Net debt, excluding self-supporting	Per capita net debt excluding self-supporting
						Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)			
Group IV—*Continued* *Population 50.000 to 100,000*												
160. Oak Park, Ill.	53.500	$ 369.000	$1.024.000	$ 160,000	$1.553.000	......	..	..	..	$1,553.000	$1,393,000*	$ 26.03
161. Kenosha, Wis.	52.700	324.000	2,379.000	345.000	3.018.000	......	..	..	..	3,018.000	2,693.000*	51.10
163. Davenport, Iowa	52.469	1.617,300	1.208.000	......	2.825.300	$132.454	30	70	..	2,692,846	2.692.846	51.32
164. Malden, Mass.	52,400	1,701.000	811,400	32,000	2,574,400	233.953	91	..	9	2.340.447	2.329,917	41.46
166. Cedar Rapids, Ia.	52,100	1.154.300	1,511,000	396.000	3.061.300	20.320	..	100	..	3.040,980	2.644.980	50.77
168. Woonsocket, R. I.	51.100	7,082.000	792.000	1.039.000	8.913.000	1.902,707	85	..	15	7.010.293	6.252,458*	122.35
170. New Castle, Pa.	50.700	912,000	1,715.000	......	2,627,000	27.349	88	12	..	2.599,651	2.599,651	51.27
Group V *Population 30.000 to 50.000*												
171. Pontiac, Mich.	49.800	$1.180.500	$2.216.000	$1,212.500	$4.609.000	$416,454	1	99	..	$1.192.546	$2.980.046*	$59.81
175. Haverhill, Mass.	49,232	1.204.000	492.000	124.000	1.820.000	276.645	50	20	30	1.543.355	1,501.835	30.51
176. Bay City, Mich.	49.200	590,000	2.060,000	1.946,000	4,596.000	667,998	48	47	5	3,928.002	2.015.930	40.97
178. Elmira, N. Y.	49.000	1,672.000	624.900	1,140.000	3.436.900	......	..	..	..	3,436.900	2,296.900*	46.78
182. Chelsea, Mass.	48.200	2,007.730	1.297,250	......	3.304,980	555,554	67	33	..	2,749,426	2.749,426	57.01
183. Perth Amboy, N. J.	48.100	1.158.000	1.648.500	1,741.000	4.547.500	758,116	29	32	39	3,789.384	2.347.932	48.81
184. Pittsfield, Mass.	48.100	1.073.000	463.000	852.000	2,388.000	......	..	..	..	2,388.000	1.536.000*	31.93
185. Lima. Ohio	47.700	4,055.301	1.152,202	1.093.300	6.300.806	401.895	100	..	..	5.898.911	4.805.611	100.74
188. East Chicago, Ind.[25]	47.300	1.015.365	......	1.971.000	2.986.365	81.306	22	..	78	2,905.059	997.769*	21.10
190. New Rochelle, N. Y.	45.800	3.841,241	3.450.676	......	7.291.917	308.106	100	..	..	6.983.811	6.983,811	152.48
193. Waco, Texas	44.800	2.056.500	1,249.700	809,000	4.115,200	800.888	45	19	36	3.314.312	3.314.312	73.98
194. Jamestown. N. Y.	44.300	1.320.518	1.310.000	1.159,500	3.820.018	47.130	100	..	..	3.772,888	2,660,518	60.06
195. Muskegon. Mich.	44.300	1,398.000	1.870.000	501.000	3,772,000	100.000	70	..	30	3.672.000	3.198.000	72.18
196. Fitchburg. Mass.	44.200	1.628.100	534.000	397.500	2.559,600	......	..	..	..	2,559.600	2.162,100*	48.91
198. Brookline, Mass.	43,900	763,890	805.400	499.300	2.068,590	......	..	..	..	2,068.590	1.569.290*	35.71
199. Durham. N. C.	43.900	4,527.625	824.109	3,743.666	9.095.400	652,972	100	..	..	8.442.428	8.442.428	192.31
202. Battle Creek, Mich.	43,500	1,067.500	795.000	......	1.862.500	......	..	..	..	1.862.500	1.862,500	42.81
205. Lorain. Ohio	43,100	1,815.500	1.663,725	664,000	4.143.225	496.401	79	2	19	3,616.824	2.977.158	69.07
207. Salem, Mass.	42.900	1.229,000	376.500	410.000	2,045.500	......	..	..	..	2,015.500	1.605.500	37.42
208. Hamilton, Ohio	42.800	1,391,734	707.932	1.585.650	2.685.316	209.754	..	..	..	3.475.562	2,163.562	50.55
209. Springfield. Mo.	42.600	44.000	617,500	......	661.500	56.069	16	84	..	605.431	605.431	14.21
210. Everett, Mass.	42.500	1.313,800	784.500	83.000	2,181.300	379,912	100	..	..	1.801,388	1.718.388	40.43
213. Dubuque, Iowa	41.600	1.337.913	1.316.000	365,000	3,018,913	53.943	..	21	79	2.961,970	2,642,613	63.52
219. Taunton, Mass.	39.800	1.258.300	699.000	1.417.500	3.374.800	878,621	2	4	94	2,496.179	1,895.916*	47.63
220. Superior, Wis.	39.671	843,675	1,322.000	......	2,165.675	167.824	100	..	..	1,997,851	1.997.851	50.36
221. West New York, N. J.	39.197	2.601,270	1.791.500	......	4,395,770	259.887	100	..	..	4,135.883	4,135.883	105.51
223. New Brunswick, N. J.	38.900	1.626,000	1.491,000	416.000	3.533.000	98.108	100	..	..	3,431.892	3.018.892	77.61
224. Phoenix, Ariz.	38.669	1.305,500	2.520,000	2,437,000	6.302,500	470.306	23	71	6	5,892,191	3.483.309	90.08
225. Lynchburg. Va.	38.493	2.472.232	1,086.534	1.753.000	5.311.766	1,334,207	62	..	38	3.977.559	2.721.559	70.78
226. Austin, Texas	38,200	929,000	1,068.000	1.064.000	3.061.000	87.519	38	62	..	2.973,481	2 973.481	77.83
228. Wilmington. N. C.	37.700	1.581.822	651.000	1,102.000	3.331.882	145.879	25	75	..	3.188.943	2,086,913	55.35
230. Ogden, Utah	37.600	1,758.000	968,000*	897.500	3.623.500	......	..	..	..	3.623,500	3.623.500*	96.37
231. East Cleveland. Ohio	37,552	2,051.360	2,507.000	79.500	4,637,860	843,381	60	40	..	3,794,479	3.794.479	101.05
233. Waterloo, Iowa	36,900	837.679	1.458,500	325.000	2,621,179	60.000	100	..	..	2.561.179	2.236.179*	60.60
234. Hazleton, Pa.	36,800	1.511.500	1.301.500	......	2.843,000	161,611	30	70	..	2.681.389	2.681.389	72.86

Group V—*Continued* *Population 30,000 to 50,000*												
235. Meriden, Conn.	36,600	$ 610,000	$ 940,000	......	$1,550,000	....	..	..	..	$1,550,000	$1,550,000	$ 42.35
236. Petersburg, Va.	36,400	2,959,000	800,000	$ 500,000	4,259,000	$1,155,826	..	..	..	3,103,174	2,603,174	71.52
237. Colorado Springs, Colo.	36,000	854,000	1,203,000	3,146,000	5,203,000	....	..	..	..	5,203,000	2,057.000	57.14
238. Orange, N. J.	35,800	2,080,000	1,642,000	425,000	4,147,000	824,528	46	27	27	3,322.472	1,117,931	87.09
239. Poughkeepsie, N. Y.	35,800	1,850,247	808,100	916,000	3,574,347	86,514	95	5	..	3,487.833	2,571,833	71.83
241. Auburn, N. Y.	35,677	641,638	100,000	257,000	998,638	43,367	..	..	100	955.270	741,637	20.78
242. Amsterdam. N. Y.	35,600	381,000	1,484,250	301,000	2,166,250	170,699	14	7	79	1,995,551	1,829.269	51.38
243. Lewiston, Me.	35,500	833,000	125,000	439,000	1,397,000	225,000	100	..	..	1,172,000	733,000	20.64
244. Norristown, Pa.[25]	35,300	306,500	......	......	306,500	55,450	100	..	..	251,050	251.050	7.11
246. Clifton, N. J.	34,742	1,179,600	1,690,400	1,382,000	4,252,000	124,565	40	60	..	4,127,435	2,745.000	79.02
247. Warren, Ohio	34,679	807,037	2,573,402	1,191,450	4,571,889	305,515	65	35	..	4,266,374	3,074,924	88.66
248. Moline, Ill.	34,500	21,500	211,000	60,000	292,500	737	100	..	..	291,763	231,763	6.72
249. Cranston, R. I.	34,471	1,021,000	821,500	......	1,833,500	336,746	51	49	..	1,496,754	1,496,754	43.42
253. Cumberland, Md.	33,741	1,145,000	1,875,000*	2,219,900	5,239,900	498,895	38	..	62	4,741,005	2,829,156*	83.84
254. Revere, Mass.	33,261	935,798	1,016,570	165,225	2,117,593	......	..	..	..	2,117,593	1,952,368*	58.70
256. Irvington, N. J.	33,186	1,346,383	2,391,150	......	3,737,533	316,777	82	18	..	3,420,757	3,420,757	133.08
257. Watertown, N. Y.	33,100	825,935	725,500	1,253,000	2,804,435	139,568	44	37	19	2,664,867	1,438,052	43.45
258. Montclair, N. J.	32,922	2,443,210	4,928,500	2,370,000	9,741,710	777,801	16	80	4	8,963,909	6.627,523	201.30
260. Muskogee, Okla.	32,500	1,704,154	1,255,000	884,000	3,843,154	1,824,402	30	32	38	2,018,752	1,815,652*	55.86
262. Alameda, Calif.	31,876	290,948	616,459	125,243	1,032,650	......	..	..	..	907,406	907,406	28.47
264. Plainfield, N. J.	31,748	1,905,000	1,374,500	......	3,279,500	173,445	63	37	..	3,106,055	3,106,055	97.83
269. Kearny, N. J.	31,291	1,824,000	1,736,500	702,000	4,262,500	829,500	60	37	3	3,433,000	2,759,880	88.20
271. Richmond, Ind.	30,495	191,000	727,800	......	918,800	7,638	100	..	..	911,162	911,162	29.88
274. Bloomington, Ill.	30,421	220,000	120,000	149,000	489,000	161,006	19	..	81	327,994	308,750	10.15
275. Clarksburg, W. Va.[25]	30,402	377,300	......	391,900	769,200	81,861	94	..	6	687,339	300,314	9.88
279. Rome, N. Y.	30,328	308,167	798,000	618,000	1,724,167	176,702	100	..	..	1,547,464	1,324,464	43.67
280. Sioux Falls, S. D.	30,127	1,168,000	1,382,000	436,000	2,896,000	743,395	25	55	20	2,242,605	1,958,376	65.00

City	Census July 1, 1926	General improvement bonds	Public school bonds	Public utility bonds	Total gross bonded debt	Sinking fund				Total net bonded debt	Net debt, excluding self-supporting	Per capita net debt excluding self-supporting
						Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)			
Canadian Cities												
1. Montreal, Que.[34]	942,875	$94,769,036	$30,199,830	$31,464,445	$156,433,311	$15,543,554	82	18	..	$140,889,757	$109,425,312	$116.06
2. Toronto, Ont.[35]	556,691	44,705,955	23,466,047	87,528,979	155,700,981	24,362,469	43	16	41	131,338,512	53,844,713	96.72
3. Winnipeg, Man.[36]	197,125	9,968,392	9,025,000	26,874,537	45,867,929	12,065,930	34	19	47	33,801,999	12,593,962	63.88
4. Vancouver, B. C.[37]	128,366	20,993,924	4,806,900	6,499,351	32,300,175	8,691,684	69	12	19	23,608,491	18,762,282	146.16
5. Quebec, Que.[25]	124,341	13,213,436	3,922,500*	4,910,750	22,046,686	1,458,246	65	26	9	20,588,240	20,588,240*	165.57
6. Hamilton, Ont.[38]	122,495	10,369,802	4,353,706	6,162,617	20,886,125	5,034,523	50	14	36	15,851,602	11,496,440	93.85
7. Ottawa, Ont.[39]	118,697	9,533,776	3,970,319	4,943,158	18,447,254	4,392,180	52	19	29	14,055,074	10.398,806	87.61
8. Calgary, Alb.[40]	69,000	12,158,533	2,643,250	8,423,012	23,224,795	6,724,548	57	..	43	16.500,247	10,984,281	159.19
9. Edmonton, Alb.[41]	65,378	18,968,254	3,940,217	11,912,596	34,821,066	8,681,093	37	4	59	26,139.973	19,363,211	296.17
10. London, Ont.[42]	64,274	4,808,394	2,114,704	3,841,229	10,764,327	1,845,358	36	24	40	8,918.969	5,820,114	90.55
12. Windsor, Ont.[43]	56,433	6,251,106	4,198,436	1,901,743	12,351,285	124,407	40	60	..	12,226,878	8,909,129	157.87
13. St. John, N. B.[44]	55,000	2,221,228	1,655,500	5,454,102	9,330,830	2,695,942	91	9	..	6,634,888	3,564,911	64.82
14. Regina, Sask.[45]	40,000	6,563,449	1,634,650	5,078,480	13,276,580	4,397,046	61	10	29	8,879,534	5,054,595	126.36
15. So. Vancouver, B. C.	40,000	5,389,942	1,056,644	1,013,050	7,459,636	960,834	71	14	15	6,498,802	6,403,357	160.08
16. Victoria, B. C.	40,000	10,276,232	1,354,949	4,081,732	15,712,913	2,363,893	48	27	25	13,349,020	9,851.012	246.28
19. Saskatoon, Sask.[46]	30,000	4,090,843	1,885,423	3,332,339	9,308,605	2,698,515	56	7	37	6,610,090	4,273,273	142.44

NOTES. The cities are arranged in order of population, according to the 1926 (July 1) estimates by the Bureau of Census, with exceptions noted by that Bureau. Population of Canadian cities is as estimated at January 1, 1926. Missing numbers are of cities not furnishing data.

* Estimated.

[1] *New York City.* Debt includes corporate stock notes,—short term notes issued in advance of bonds; general bonds include $12,319,083 for libraries; utility bonds, in addition to water, include rapid transit, $354,512,985, and docks and ferries, $158,462,760; sinking funds are not separated because there are seven sinking funds, some for several purposes, and analyzed with difficulty.

[2] *Chicago.* Does not include county or forest preserve district (county) bonds, $25,492,000. Ninety-one per cent of the taxable values of the county are within the city of Chicago.

[3] *Philadelphia.* Includes city and county of Philadelphia; general and utility debt not separated.

[4] *Detroit.* Utility bonds include street railway, $23,258,000, and lighting, $8,727,000; in addition to the bonded debt there is a street railway purchase contract for $12,580,000.

[5] *Los Angeles.* Census is local estimate; general bonds include flood control (county), $13,310,000; utility bonds include light and power, $35,125,000, and harbor, $20,969,000; school bonds are issued by the county; school sinking fund includes flood control.

[6] *Cleveland.* Utility bonds include light and power, $7,770,000.

[7] *Baltimore.* General bonds and sinking fund include school, dock, harbor and conduit.

[8] *Boston.* Utility bonds include rapid transit, $46,729,700; gross debt does not include county, $1,531,500, with sinking fund $538,182, which is paid by Boston.

[9] *San Francisco.* General bonds include 1915 Exposition, $2,600,000; utility bonds include street railway, $3,493,000.

[10] *Buffalo.* Data as at May 1, 1927.

[11] *Minneapolis.* General bonds include net special assessment bonds, $3,194,098; utility bonds include light and power, $50,000, and market, $25,000; sinking funds not separated by purposes.

[12] *New Orleans.* No sinking fund, bond maturities being pre-arranged for retirement in series from tax levies; debt reported does not include Orleans levee district, co-extensive with the city of New Orleans.

[13] *Seattle.* Utility bonds include light and power, $20,185,000, and street railway, $12,742,500.

[14] *Cincinnati.* Utility bonds include rapid transit, $6,100,000, and Cincinnati Southern Railway, $21,832,000; rental revenues of the city from the latter yield $474,531 to pay interest on $10,545,000 general debt.

[15] *Indianapolis.* General bonds include park district, $3,049,000, and sanitary district, $3,696,000.

[16] *Louisville.* The sinking fund owns also the entire capital stock of the Louisville Water Company, worth at least $25,000,000.

[17] *Columbus.* Utility bonds include light and power, $1,890,000.

[18] *Portland.* General bonds include docks, and city's portion (94.4 per cent) of port, $3,897,776; school bonds are 97.68 per cent of the total, based on the city's portion of school district assessed valuation; utility bonds include golf, $90,000; city's share (92.14 per cent) of county debt, $6,058,205, largely for city highways and bridges, is not included.

[19] *Oakland.* Utility bonds include city's portion (65 per cent) of water district, and harbor, $3,374,717.

[20] *Omaha.* Utility bonds include gas, $4,500,000.

[21] *Richmond.* Utility bonds include light and power, $300,000, and gas, $3,342,550.

[22] *Norfolk.* Utility bonds include dock and terminal, $6,423,948.

[23] *Nashville.* Utility bonds include light and power, $333,000.

[24] *Jacksonville.* Utility bonds include light and power, $650,000.

[25] *Fall River*, *Saginaw*, *East Chicago*, *Norristown*, *Clarksburg*, *Quebec.* School debt not reported.

[26] *Wilmington.* Utility bonds include harbor, $2,300,000; school bonds include $235,000 which are a liability of the state.

[27] *New Bedford.* Utility bonds include cemeteries and wharf, $57,000.

[28] *Spokane.* Utility bonds include crematory plant, $70,000.

[29] *Tacoma.* Utility bonds include light and power, $4,135,000, and street railway, $348,000.

[30] *Long Beach.* Utility bonds include gas, $3,000,000.

[31] *Lansing.* Utility bonds include light and power, $3,826,200, of which $751,200 are first mortgage bonds assumed when the city purchased the utility.

[32] *Holyoke.* Utility bonds include gas and electric, $1,188,000, and Holyoke and Western Railroad, $183,000; sinking fund includes railroad stock at par, $226,500.

[33] *Pasadena.* Utility bonds include light and power, $944,550.

[34] *Montreal.* School debt includes Roman Catholic and Protestant school boards; general sinking fund includes school boards, administered by city treasurer; debt of metropolitan commission, to which city contributes, not included.

[35] *Toronto.* Utility bonds include light and power, $23,304,471, and street railway, $40,748,567.

[36] *Winnipeg.* Utility bonds include light and power, $16,427,000, steam heating, $1,000,000, and housing, $2,650,000.

[37] *Vancouver.* The Greater Vancouver water district pays debt service on $3,728,970 of the water bonds reported.

[38] *Hamilton.* Utility bonds include light and power, $2,525,975.

[39] *Ottawa.* Utility bonds include light, $963,215.

[40] *Calgary.* Utility bonds include light and power, $2,619,630, and street railway, $2,545,174.

[41] *Edmonton.* Utility bonds include light and power, $3,569,283, street railway, $3,055,080, and telephone, $2,319,075.

[42] *London.* Data are as at January 1, 1926. Utility bonds include light and power, $1,355,409, and electric railway, $1,246,329.

[43] *Windsor.* General bonds include housing, $1,416,006; utility bonds include light and power. $1,011,687.

[44] *St. John.* Utility bonds include light and power, $660,846, harbor and wharves, $1,467,165, and markets, $70,000.

[45] *Regina.* Utility bonds include light and power, $1,833,719, and street railway, $170,918.

[46] *Saskatoon.* Utility bonds include light and power, $1,830,947, and street railway, $894,036.

BOOKS AND PUBLICATIONS

Die Deutschen Landkreise. Herausgegeben von Dr. Constantin and Erwin Stein. Deutscher Kommunalverlag G. m. b. H. Berlin-Friedenau: 1926, 2 vols. 1118 and 1056 pp. resp.

This two volume work on German rural counties fills a great gap in the material available about German government. The editors are to be congratulated upon this exhaustive study. As might be expected, in dealing with a subject so highly technical as the one here presented, the encyclopedic form was chosen for presenting it. Most of the thirty-seven authors who have contributed to this study are practical administrators, the majority holding the office of *Landrat,* the chief executive official of the county or *Kreis.* Their papers on all phases of local government are contained in the first volume, which deals with a great variety of topics concerning rural county government and organization, finances, farm improvement and other agricultural and economic activities, transportation including roads, housing and homesteading, social work, education and police.

The editor warns us in his preface that the contributors are expressing their own opinions, which may therefore be found in particulars in conflict with one another, as well as at variance with the established policy of the *Landkreistag.* This latter is a national association of all the rural counties. Its director is Dr. Constantin, the editor of these volumes. Its history, aims and organization are set forth in the second volume, which contains for the most part documentary material, including pictures of the leading officers of the organization. There are also some valuable statistics on rural counties,—covering population, area, officialdom, highways, ameliorations, banks, elections, together with an analysis of the representation of township and rural districts, and finally taxation. Its usefulness as a reference work is greatly enhanced by a carefully prepared and extensive index.

It will have been observed that we are translating the German *Kreis* as "county." We feel justified in doing so by the fact that the two are analogous units in governmental organization. The well-known fact that they differ radically in their organization cannot affect this analogy when we recall that counties in the United States differ radically from each other also.

The German practice of combining administrative centralization with legislative decentralization has been heartily commended by a number of the most authoritative American writers on politics. It has proved effective to have the central authorities enforce whatever laws they enact, and to let the local authorities frame legislation regarding local matters. A strong desire for local self-government has arisen on account of this division. Moreover, as Dr. Schöne emphasizes in his treatment of the constitutional and administrative system of the counties, the German rural county owes its peculiar virility both in policies and administration to the *connection of local and central governmental functions.* Goodnow and others assert that this has been due to Prussian centralization of administration as against English decentralization. Whether this can be maintained in face of the historical facts as here presented, particularly in the papers of von Wolff and von Gagern, seems doubtful. It appears, on the contrary, that the German county organization passed through a comparatively short period of centralization, varying from thirty to a hundred years (between about 1770 and 1870) in the different States. Previous to this period it seems to have been semi-feudal in character, much like the English county. The executive head, called *Landrat,* was appointed by the king upon recommendation of the large agricultural proprietors from among their midst. In most cases he seems to have received no salary. This temporary centralization was due partly to the problems which Prussia encountered in the administration of her new territories, and partly to the influence of French law during the Napoleonic era. But the county soon regained its traditional share in government, as a federation of communes and townships, with its own corporate sovereignty and its status as the smallest administrative unit.

This "living organism" has remained structurally unchanged in its essentials under the German Republic. But how is it affected politically by the new form of government? The space available for this discussion does not allow us to go into details, but even a summary may prove suggestive. As in the German Commonwealth at large, we find that the emphasis has been somewhat shifted. The representative assembly of the county, formerly elected in accordance with a suffrage based on property, has now become democratic and represents the whole people of the county. This assembly (in Prussia called *Kreistag* analogous to *Reichstag*) has gained ground as against the permanent administrative official, who is called *Landrat* (county councillor), and as against the county committee (in Prussia called *Kreisausschuss*) which is an executive board, consisting of the councillor as chairman and six members elected by the assembly. The assembly is, according to a recent decision of the Superior Administrative Court, the sovereign power in the county, and an enumeration of its powers and rights is therefore not possible. Custom has, however, developed a distinct sphere of action for it, comprising mainly constitutional questions, finances, and buildings.

Thus we see that the county is in itself a miniature unicameral republic, the committee occupying the same position towards the assembly that the English cabinet holds in relation to the House of Commons, except that its chairman is appointed by the central administrative authorities. A wedge, however, has been driven into this official relation with the central authorities by granting the assembly the right to suggest candidates for this position. Even though the central authorities are not bound to heed such suggestions, it is possible that they will do so increasingly as the parties in the central legislature become exposed to local pressure. Be that as it may the present situation clearly endows the position of the councillor with a double function. It remains to be seen how long he will be able to manage "serving two masters."

What has been said clearly shows, I hope, that the German county has remained distinctly a "corporation"; in fact, its corporate character has been strengthened. Just how powerful an influence it may become in German politics, it is still difficult to foresee. At any rate the executive committee of the local assembly is in charge of all local appointments. These include not only officials and employees dealing with county matters, in the strict sense of the term, but officials and employees who handle the administration of central governmental functions delegated to the county as well. There are several times more communal than state officials, eighteen thousand in all. For all these positions examinations are prerequisite. Still an assembly which thus, through its executive committee, controls local patronage, has at least some possibilities. In addition to these important functions the committee has to act as the representative of the central administrative authorities, first, in supervising the municipalities and rural communes in the execution of the functions delegated to them by the central authorities, secondly, in police matters, and thirdly, as administrative court. There are other minor functions, but the judicial function of a body so distinctly political is another aspect of county politics which calls for "eternal vigilance," now that popular government with party machines and all the rest is getting established in Germany.

The administrative system has grown up in accordance with this peculiar blending of local with central functions. We find central and local officials and employees. Unfortunately, no paper in these volumes here reviewed attempts to give a general outline of the administrative organization in German rural counties, although a description of it in one particular county is given. It will give an idea of the extent of their activities to know that Prussian counties spent 451,818,599 gold marks (over $112,000,000) during 1924, which is about twice what they spent in 1914. Most of the increase is due to welfare work, delegated to the county by the higher authorities. This, of course, is largely the aftermath of the World War.

Such, then, is the structure of German rural county government as it exists today, essentially similar in all states except Baden and in the three city states (Bremen, Lubeck and Hamburg).

All the contributors to the present volume seem to agree that Germany is particularly fortunate in having this virile system of government which is likely to preserve those moral values which depend upon a wholesome relation to home and tradition. The future of the rural county as a successful form of corporate local government will depend upon the maintenance of that public spirit of the German civil service. "If the labors of county administration are to bear fruit, it needs not so much personnel as personalities, firm reliable characters, devoted to the service of the commonweal," says one of the collaborators of this work. These volumes certainly represent a good effort in such a direction. CARL JOACHIM FRIEDRICH.

Harvard University.

FINAL REPORT OF THE PENNSYLVANIA TAX COMMISSION TO THE GENERAL ASSEMBLY. Harrisburg, 1927. Pp. 131.

The Pennsylvania Tax Commission was originally created by the legislature of 1923. In submitting its report to the legislature of 1925, the commission requested that it be renewed, since insufficient time and an inadequate appropriation had prevented a thorough survey of the taxation burden in Pennsylvania. The 1925 legislature accordingly gave the commission two more years to study the situation. While the members served without compensation, the commission during the entire period of its existence had an appropriation allowance of $40,000. Two members of the commission were appointed by the governor; two by the president pro tempore of the senate; three by the speaker of the house of representatives. This final report represents, therefore, the conclusions of seven citizens, who, aided by statisticians and expert counsel, brought under close scrutiny over a period of three years the tax problems of the state.

Since the first report included an account of the present tax system of Pennsylvania, the final report does not repeat this information, except to call attention to certain changes, relatively minor, recommended by the commission and made effective by the legislature of 1925.

The commission believes that Pennsylvania can afford to inaugurate a pay-as-you-go system on everything except highways. It condemns the bond proposals totalling $273,000,000 now pending, except the $50,000,000 highway bond amendment. In order to put this plan in operation, the commission recommends that provision be made for a permanent fund for capital outlay. Because of the comparative stability of the returns from the inheritance tax, and since this tax consists in some measure of withdrawals from the capital of an estate, the commission suggests that the proceeds of all inheritance taxes should be segregated as a constant fund for capital investments by the state.

Among the recommendations for the immediate revision of the fiscal system of Pennsylvania, those which seem of special interest and consequence are the creation of a permanent state tax commission, the centralization of assessment and collection of local taxes in the county government, and state supervision of local bond issues and sinking funds. The commission recommends that the permanent state tax commission should be entrusted with the assessment and collection of all inheritance taxes and the assessment and collection of mercantile licenses. These taxes are at present locally collected at very great expense. The permanent commission should also be vested with the responsibility of supervising the four-mills personal property tax for county purposes, with the duty of determining the true value of realty per teacher (in accordance with which school districts fall within preferential groups created by the legislation of 1923), and with the duty of giving continuous study to the subject of taxation. The commission condemns in unequivocal language the evils in the present system of assessment and collection of local taxes. The commission recommends centralized county assessment of realty by a board of county assessors appointed by the county commissioners; and centralized collection of all local taxes by the county treasurers, except in cities, where the city and school taxes are to be collected as at present. Because of present misguided practices of municipalities in increasing indebtedness, the commission would require municipal districts, except first and second class cities, to submit the proceedings relating to the increase of indebtedness to the Bureau of Municipalities. The bureau would pass upon the legality of the proceedings, but it would not be given authority to pass upon the purpose of the loan nor its amount, except to ascertain that the loan would fall within the constitutional limit on borrowing power. The bureau would also investigate sinking funds and would see that municipalities were levying sufficient taxes to meet interest and sinking fund requirements.

While these constructive suggestions of the commission are in the opinion of the reviewer very commendable, he cannot voice the same sentiment of approval with other portions of the report. Everyone recognizes that the fundamental inequity in the Pennsylvania system of taxation is the exemption from corporation taxes enjoyed by manufacturing and publishing corporations. Page 28 and page 124 of the report furnish very convincing proof on this point. The commission admits the existence of this gross inequity. The legislature in creating the commission instructed it to pay particular attention to "the best methods of equitably and effectually reaching all properties which should be subjected to taxation." But when we come to the conclusions of the commission on removing the inequalities in the existing system of corporation taxes, we are confronted with this statement: "As the revenues at present are sufficient to meet the existing needs of the state and probably will be sufficient to meet any reasonable increase in those needs in the near future, regard having been had to suitable economies, there seems to be no present necessity to recommend any change in the existing system of taxation." The commission did recommend several alternative methods of taxing corporations which would eliminate present discriminations, but these were only to be considered in the distant future, when the revenue needs became acute. In striking contrast with the above is the vigorous recommendation of the commission urging the immediate partial repeal of the tax exemption now enjoyed by property used for religious, charitable and educational purposes.

Further evidence of the timidity and extreme conservatism of the commission is found in the fact that the members of the commission were unwilling to go on record in favor of a progressive personal income tax, although they did suggest that ultimately it might be desirable to adopt a flat-rate levy on business incomes. The commission also was unwilling to endorse the idea of a progressive inheritance tax with a twofold graduation of rates and exemptions according to the amounts of the legacies and to the degree of the relationship of the legatees. Professor Marion McKay, apparently the only member with liberal views, issued an independent statement placing himself on record in favor of these reforms.

Martin L. Faust.

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Inheritance Tax Analysis. By California Taxation Improvement Association, Los Angeles, California, Roland A. Vandegrift, M.A., Research Director, 1927. Pp. 28.

This study presents the summarized results of two years' analysis, conducted by the California Improvement Association, of the operation, incidence and effect of the California inheritance tax.

It appears conclusive to the Association that the California inheritance tax reacts in a way detrimental to the best interests of the state, because it has operated and is operating "as a decided deterrent to securing desirable citizens and to keeping non-resident millions of dollars worth of property which would, if it were not for the tax, become part of the assessed value of California subject both to the annual local taxes and to a moderate death tax."

In order to make an exhaustive study of the whole problem, the Association secured a complete summary transcript from the records in the state inheritance tax department at Sacramento of all inheritance tax cases closed for the fiscal years 1924–25 and 1925–26. These records, together with other data and all general information available, were carefully analyzed and the results charted graphically for comparative purposes. These charts—thirty-five in number—illustrate the shrinkage of California estates caused by death dues, the amount of the inheritance taxes collected, the advantages of community property in lessening California inheritance taxes, and the California inheritance tax rates compared with other states.

The significant thing about the inheritance tax of California is the heavy collection from large estates. On one estate, for example, the analysis shows that the shrinkage was over five millions of dollars, or 29 per cent of the estate as appraised. Slightly over 18 per cent of the estate, however, went to the federal estate tax, while a little more than 8 per cent went to the California inheritance tax. The shrinkage on the smaller estates—those under $500,000—seems considerably less in comparison, ranging approximately from 2 per cent to 10 per cent of the estates as appraised. By reason of the 1926 modifications of the federal estate tax law, there has resulted a considerable reduction in the amount of the federal tax, so that the situation described by these charts has been materially benefited. The charts contained in this Analysis were drawn when the higher rates were still effective. While the California rates will apply to the amount saved from the federal tax, nevertheless, the combined federal and state tax will be considerably reduced.

To anyone conversant with modern tendencies in inheritance taxation, the California system of inheritance taxation as revealed by the charts would seem progressive and equitable. It is very evident from the recommendations that the Association has succumbed to the "laissez-faire" attitude on the subject of inheritance taxation. The main concern of the Association, however, is that in comparison with other states, the California inheritance taxes on large estates are inordinately high. To the Association the desirable citizens are the wealthy citizens, and at present, according to their statement, "California suffers from a tax wall which keeps out desirable citizens and wealth."

In conclusion, the Association recommends "an ideal solution." This would be "to give California the most favorable death dues of any state in the Union and entirely eliminate the present tax wall against large and even moderate estates." To accomplish this, the Association recommends in place of the present inheritance tax the substitution of an estate tax, taking just 80 per cent of the federal estate tax and exempting intangible personal property of non-resident decedents and preserving all present community property exemptions. The Association adduces twelve reasons in support of the proposal. It would give California a tax on inheritances which would be as low as any state in the Union, because, if a state does not collect 80 per cent of the federal estate tax, the federal government takes it. It is also claimed in behalf of this recommendation, that it "would allow the some $2,000,000,000 of wealth possessed by non-citizen residents to become naturalized, as it were, in California if the owners so desired." This would materially increase the tax base for local taxes. The final argument in support of the proposal is a fitting conclusion to this somewhat questionable analysis: "The advertising value of such an estate tax would be of incalculable worth in the development of the state. Without necessity of estimation, California could say that no state had a lower burden of death dues."

Martin L. Faust.

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Publications of the Finance Statistics Branch of the Dominion Bureau of Statistics, Ottawa, Canada

Financial Statistics of Provincial Governments in Canada, 1923–1924. Pp. 105.

This document is a résumé and analysis of provincial government finance. The data are outlined under four main headings: Receipts, Expenditures, Assets and Liabilities. Each table of receipts and expenditures is preceded by notes explanatory not only of the tables themselves but also making brief comparisons of the principal increases or decreases. Total ordinary receipts for all provinces in 1923 amounted to $117,738,244 and in 1924 to $127,896,047. Total ordinary expenditures for all provinces in 1923 were $132,671,095 and in 1924 they amounted to $135,671,095. Public works, education, hospitals, pensions, and interest payments account in the main for the increase since 1920 of governmental expenditures. Licenses and permits, corporation taxes, and succession duties have for the most part furnished the increased revenues during the same period. The total interest payments of the provinces in 1924 were $35,115,364, an increase over 1920 of $20,523,906. The total liabilities of all provinces combined, amounted to $739,680,608 in 1923 and $832,013,500 in 1924.

Municipal Statistics, 1919–23. Pp. 19.

This report shows, first, the assessment valuations of municipalities by provinces for each of the years of 1919 to 1923 for taxable property (land and buildings separated where possible), personal property, income and other taxable valuations and also the value of exempted property. The second section of the report gives the assessment valuations of the various classes of municipalities (such as cities, towns, villages, rural municipalities, districts, etc.) as erected and controlled by the provinces wherein they are situated. The information has been compiled from the reports issued from year to year by the departments and officials in each province responsible for the control of municipal affairs. Where fluctuations occurred in valuations, the Provincial authorities were consulted for possible reasons, and these are given in the introduction to the statistical tables.

Summing up for all provinces and taking all classes of municipalities together, the total taxable land valuations increased from 1919 to 1921, and decreased in 1922 and in 1923. The net increase, however, between 1919 and 1923 was $508,499,516. There was a steady increase in the taxable value of buildings throughout for each year, the net increase for 1923 over 1919 being $424,278,365. Personal property valuations increased each year with the exception of 1921, the net increase for 1923 over 1919 being $11,709,518. The taxable income valuation increased each year excepting in 1921 and 1923, the net increase being $46,371,893. The value of other taxable property showed increases for each year except 1923, the net increase between 1923 and 1919 amounting to $94,843,979. The value of exempted property increased each year; in 1919 it was $811,935,964 and in 1923 it was $1,230,862,366.

Municipal Statistics, 1922. Pp. 81.

This report presents the statistics for 1922 of towns in Canada having a population of 1,000 to

5,000. Schedules were sent to the offices of 374 municipalities and returns were received from and compiled for 257. The returns for 32 towns were incomplete.

Following are some of the points revealed by the detailed tables when brought under general review: The total assessed value of taxable property in the 257 towns reporting for 1922 was $339,121,647 with a per capita value of $614. When brought under review by provinces, the highest per capita value of taxable property in the towns was $756 in Prince Edward Island; the lowest was $364 in Nova Scotia. In connection with receipts, "compulsory taxation," consisting of taxation for general purposes, arrears, school taxes, poll tax, income tax and other special taxation, showed a total for the 257 towns in 1922 of $10,933,499, representing a per capita revenue of $19.83. Taking the provinces separately, taxation receipts for the towns dealt with showed per capita revenues respectively of $9.68 in Prince Edward Island, $12.42 in Nova Scotia, $14.89 in New Brunswick, $9.73 in Quebec, $24.04 in Ontario, $26.05 in Manitoba, $36.60 in Saskatchewan, $25.80 in Alberta, $20.56 in British Columbia and $27.09 in Yukon. The total ordinary receipts of the towns showed a per capita ordinary revenue $30.66 and $24.43 for extraordinary revenue. A study of the expenditure statements shows per capita ordinary expenditures of $35.29 and an extraordinary expenditure of $18.93. The total assets of the towns for 1922 amounted to $84,545,833 or $153.31 per capita. The liabilities of the towns for 1922 amounted to $61,264,813 or a per capita indebtedness of $111.10.

Statement of Civil Service Personnel and Salaries in the Month of January, 1912–24.

Statistics of the Civil Service of Canada. Numbers Employed and Expenditures on Salaries by Departments. Fiscal year ended, March 31, 1925.

In 1924 the Dominion Bureau of Statistics, under the instruction of the Prime Minister, undertook a statistical investigation of the number of employees of the Dominion Government and the expenditure on salaries from year to year during the period 1912–24. The first report contains the results of this investigation. It was decided to maintain this record on a monthly basis from the beginning of the ensuing fiscal year, and to present the results in an annual report. The second report listed is the first of these annual reports. The statements have been prepared with a view to comparability as far as possible between Departments and from year to year. Throughout the tables in general, there are frequent increases or decreases shown in numbers of employees and expenditures on salaries. In order to assist in a clear understanding of the tables, comparative notes for each Department, explaining any abnormal conditions of increase or decrease, are included.

MARTIN L. FAUST.

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REPORT AND RECOMMENDATIONS OF THE METROPOLITAN STREET TRAFFIC SURVEY (Chicago). By Miller McClintock. Published by the Chicago Association of Commerce, 1926.

This thorough study of Chicago's traffic problem is confined wisely to the problem as presented by the existing street layout. It stays on the ground and in the present as much as possible, instead of going into the enticing fields of regional planning and forecasting.

The report shows that the work was carefully planned and apparently thoroughly done in most parts, particularly those which are essential. The recommendations center chiefly around the establishment and maintenance of a permanent traffic commission composed of city, county and park district officials with the general task of supervising traffic control, the specific immediate task of unifying and coördinating the diverse methods now used in the metropolitan area by adopting a uniform code and then keeping that code up to date by continuous study of traffic conditions and making modifications as experience warrants. To facilitate this work a draft code is included in the report as an appendix.

The report emphasizes the fact that the next great improvement in traffic regulation must come through pedestrian control because no driver can change the direction and speed of his car as fast as a "jaywalker" can change his mind, but it also recognizes that this improvement must come through patient, painstaking education much more than by compulsion or penalties. Parking receives short shrift as a custom of horse and buggy days, which is now almost intolerable in heavy traffic districts.

The need for continuous study of traffic methods is well illustrated by the impending obsolescence of the three light system of traffic signals—red, green and amber—which is recommended with recognition of its weakness. This weakness was stated aptly by a New York traffic officer as, "Red means stop, Green means go, but Amber means everybody go faster." The New York police department has practically perfected, since this report was published, an ingenious signal which eliminates the amber light entirely and gives the necessary protected interval for pedestrians to cross by overlapping the red lights and thereby holding all vehicular traffic stationary.

The courts have apparently been the weakest link in the Chicago control system. When four out of five persons brought before the automobile court for minor offenses escape punishment entirely and when three out of four in serious cases have been escaping entirely in the district police courts, then prohibition need not be blamed for all of the disrespect for law which is characteristic of Chicago.

The report is quite sound in its recommendation that traffic officers should be thoroughly schooled, both in traffic regulation and in court procedure before they are put on duty, and many of the other recommendations in regard to the police are good, but there is throughout a tendency to subordinate the other and really more essential functions of the police to their duty of controlling traffic. This is perhaps natural in a report of this nature, but not desirable or sound. It would be a sorry police department which made a corps d'élite of its traffic squad at the expense of crime prevention and detection.

George H. McCaffrey.

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Some City Reports

City of Miami. Report of the City Manager to the City Commission Covering a Period of Five Years, Dated July 1, 1926.

Here is a report of 173 pages wherein, according to the editor's preface, "an effort has been made to answer under one cover the myriad of mail requests for all kinds of information with regard to the manager plan and the operation of Miami municipally."

There is little doubt but what this specification was met, but in doing so unquestionably the effectiveness of the work was greatly diminshed. It contains some data of no use or interest to anyone outside of Miami, and inasmuch as some of the activities reported upon were five years old, no doubt, it was slightly stale for local consumption. For a strictly municipal report it contains too much "booster" material—each have a place, but not together.

It must be said in all sincerity, however, here is a report that will at once arrest the eye for it is neatly and attractively prepared and contains an abundance of fairly well chosen maps, pictures and charts. Its chief defect is its length. For every municipal report as good there are a great many of less merit.

Pontiac, Michigan. Third Annual Report of the City Manager, Clifford W. Ham. 1926. Pp. 83.

In general this report is of the same high order as the two previous reports issued by Mr. Ham. In one respect at least it falls under the other two, in that it is larger, due to increase in size to 7″ x 10″ from 6″ x 9″, the size of the previous issues and what has been generally accepted as a standard for such reports. Standardization in report writing can be easily overemphasized but it would seem a big advance if a general agreement could be reached regarding the size, if for no other reason than filing.

In number of pages it follows closely the previous issues, containing in all 83 pages, twenty of which are taken up by the comptroller's statement. The whole report would be helped by printing the comptroller's statement as a supplement.

In all there are nineteen pictures and five charts,—far too few for such a report. There are 36 pages unbroken by chart or picture, and while the reading material is as interesting as such material can be, yet a great deal of it could have been much more effectively told by charts and pictures. For example the health report takes up seven unbroken pages and one must be especially interested in that activity to wade through that much solid reading to search out the significant facts.

The four major departments claim the following pages: engineering, 7; health, 7; fire, 2; and police, 1½. As a result of so little space allotted to police work, one obtains no significant data whatever about the work of this very important department. This fault, however, is no exception for it is common in practically all municipal reports.

A feature worthy of special commendation are the summaries preceding the body of the report in which a general résumé of major activities is given and accomplishments are set in parallel columns with the corresponding recommendations made by the City Plan Commission in a report issued in 1921.

It is attractive and well edited, and its few faults are common to most municipal reports.

Fort Worth, Texas. Annual Report of the First Year of Council-Manager Government, 1925–26. Pp. 49. O. E. Carr, City Manager.

This report for the year ending September 30, 1926, entitled "A Story of the Progress of Fort Worth," is carefully prepared, neatly bound, quite well illustrated, and all complete on a total of 49 interesting pages It contains a total of eighteen pictures denoting progress and accomplishment. They all help to tell the story but their effectiveness would have been increased had they been better distributed through the reading material. Three double-page maps are included showing the location of seven and one-half miles of streets paved, six miles of storm sewers, and fifty-one and one-half miles of water main, all of which were constructed during the period covered by the report. These maps are well prepared and present the data more clearly than would 50 pages of ordinary reading and statistical material.

An attempt was made to show "Where the Tax Dollar Goes" by means of the only chart in the report and unless it proved clearer to others than it did to this reviewer, it was well that not more than one was attempted. This excellent report would have been still better by replacing or at least supplementing some of the tables by well chosen charts.

The different activities are well reported and a feature which might well be copied in other similar reports, is the policy of stating in a single sentence or two at the beginning of each separate report just what that particular Bureau or Division is charged with or supposed to do. The reader in that way is prepared to review the activities which follow with an intelligent interest. Another feature which marks this report as one of the very best of its kind is a short epitome of the entire report in the first few pages. If, therefore, one is too busy to spend two hours and read the entire report, he can at least spend ten minutes and thus gain a clear idea of what the city administration of Fort Worth is attempting and their objectives for the immediate future.

Every citizen of Fort Worth and those interested in the technique of preparing municipal reports can well afford to give this report careful attention.

Berkeley, California. Third Annual Report of the City Manager, John N. Edy, 1925–26. Pp. 77.

This report is separated into four divisions as follows: Financial, personnel, general comment and three-year summary, and in addition the annual report of the auditor, containing 18 pages. As the division on finance covers very well the information of general interest, one wonders why the auditor's report in full is included unless to satisfy a legal requirement.

The chapter on personnel is worthy of commendation, being a subject too often overlooked in the preparation of the report. If more charts replaced some of the tables added interest would result. The pictures as a whole are well chosen, except it would seem that undue importance was attached to the type of new lighting standards by devoting two whole pages for the purpose while the whole police department report claims but one page. The fire statistics are quite adequate and are well arranged. The report is of the generally accepted standard in size, well arranged, printed on good paper in a type easily read and is bound in an attractive cover.

Westerville, Ohio. Eleventh Annual Report of the City Manager, R. G. Whitney, 1926. Pp. 31.

Here is a report of the government activities of a small town which would do credit to a city many times its size. It is quite well arranged according to departments, and while a little short on pictures and charts, yet its style may give it a wide reading.

It may be difficult to appreciate the placing of a picture of the last saloon which was blown up in 1870 along with the financial tables or in any other place in such a report for that matter, but aside from this and the too numerous platitudes scattered throughout the report, it has a good deal to commend it. CLARENCE E. RIDLEY.

Syracuse University.

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Salaries and Duties of City and Village Clerks in Illinois Municipalities Over 2,000 Population is the title of Bulletin Number 2 of the Illinois Municipal League, published November, 1926. The list of cities included is as complete as could be expected when the difficulties of collecting information by the questionnaire method are considered. The object of the study is to assist local officials in adjusting some of the inequalities in salaries existing in Illinois and is especially useful for comparative purposes.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Abutting Owners—Right to Maintain Action Against Closing or Obstruction of Street.—The right of the owner of property abutting on a public street to enjoy the easement therein without any interference which will occasion him special damage, unless provision is made for compensating him for his loss, is well illustrated by the recent decision of the Supreme Court of Washington in *Fry* v. *O'Leary* (252 Pac. 111). In this case the court held that the special interest of the abutting owner entitled him to maintain an action to set aside an ordinance vacating a portion of the street on the side opposite his land, no provision being made for compensating him for the loss he would suffer by the diminution of his easement of air, light and view in the street as established. This easement, like that of access by way of the street, does not arise by grant nor may it be limited by contract; but is a right arising from the relationship of the public highway and the contiguous private property and is not affected by the fact that the fee of the highway is vested in the public. "Two classes of rights, originating in necessity, spring up co-eval with every highway; the first relates to the public passage; the second, equally perfect, but subordinate to the first, relates to adjacent owners. Among the latter is that of receiving from the public highway light and air" (*Barnett* v. *Johnson*, 15 N. J. Eq. 481). Therefore, acts which deprive the owner of this valuable easement without compensation result in irreparable injury to real property and entitle the owner to maintain an action for equitable remedies. So, if a statute attempts to confer the power to vacate a street or highway upon a municipality, but no remedy for the payment of damages to the abutting owner is available, a court of equity may enjoin its abandonment. (*Bolmer* v. *Shawnee County*, 109 Kan. 91, 197 Pac. 880; *Bolmer* v. *Topeka*, 252 Pac. 111.)

The reasoning of the court in the instant case is based upon the same fundamental grounds as were set forth by Chief Justice Gilfillan of Minnesota in his opinion in the case of *Adams* v. *Chicago* B. & N. R. Co.,[1] in which he said: "What reason can be given for excluding a right to the street for admitting light and air, when the right to it for access is conceded? For mere purposes of access to the lots, a strip ten or fifteen feet wide might be sufficient. Yet everybody knows that a lot fronting on a street sixty or seventy feet wide is more valuable, because of the uses that can be made of it, than though it front on such a narrow strip. Take a case in one of the states where the fee of the streets is in the state or municipality, and of a street sixty feet wide. The abutting lot owners have paid for the advantages of the street on the basis of that width, either in the enhanced price paid for their lots, or, if the street was established by condemnation, in the taxes they have paid for the land taken. In such a case, if the state or municipality should attempt to cut the street down to a width of ten or fifteen feet, would it be an answer to objections by lot owners that the diminished width would be sufficient for mere purpose of access to their lots? It would seem as though the question suggests the answer."

A similar case upholding the rights of the abutting owner to have the street maintained without any encroachment was decided by the supreme court of Ohio last September (*Carlan Bros.* v. *Halle Bros.*, 155 N. E. 398), in which was sustained an injunction against the erection of an enclosed bridge over the street which the defendant under a permit from the city authorities was about to construct. The bridge was to be located some 300 feet distant from the plaintiff's property and was to have a clearance of 38 feet at the street lines and not less than 50 at the center. The plaintiff was the owner of two hotels and an office building, each several stories high and having upon them signs, electric and otherwise, the view of which by the public on the street would be obstructed. A cross-petitioner, the Medic Realty Company, was owner of two buildings on the street with stores below and offices occupied by physicians and dentists above, and also of an apartment hotel situated on property adjoining that of the defendant. "In the light of the testimony disclosed by the record," said the court, "it is clear that the incorporeal rights of the plaintiff and of the cross-petitioner, especially, that is, the intangible rights of air, light and view would be impaired by the construction of the bridge, and as to the cross-petitioner, the additional right of privacy, which especially involves the nearby Stratford Apartments, and therefore becomes a matter of importance. It is no defense that their properties might be enhanced by the bridge."[1]

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[1] (1888) 39 Minn. 286, 39 N. W. 629, 1 L. R. A. 493.

The bearing of these and similar cases defining the rights of abutting owners upon the serious question of the extent of the power of a city to control the use of the streets by regulating the parking of vehicles may be suggested. The need of drastic traffic regulations is so urgent that in some instances ordinances are being passed permitting the public to park vehicles in the street without limit as to space or time, and without reference to the easement of the abutting owner. The failure to take into consideration these rights in the drafting of traffic ordinances and to keep the regulations within the well defined limits of street purposes can only lead to a confusion worse confounded and ultimately to injunctions against their enforcement.

✠

Legislative Control Over Wages on Municipal Works.—The limitations of the recent decision of the United States Supreme Court in *Connally* v. *General Construction Co.* (269 U. S. 148) are pointed out by Chief Justice Cardozo of the New York Court of Appeals in his opinion in *Campbell* v. *City of New York* and *Morse* v. *Delaney* (155 N. E. 628). These were taxpayers' actions to restrain the city from awarding contracts for public works on the ground that the insertion of the provision required by the New York statute for the payment of the prevailing rate of wages in the locality is wasteful and illegal. In affirming the judgments of the lower courts dismissing the complaints, the chief justice reviewed the decisions on this question from *Atkin* v. *Kansas* (191 U. S. 207), in which in 1903 the Supreme Court upheld a similar statute of the state of Kansas. While previously the New York decisions had held that such a statute was void (*People ex rel. Rodgers* v. *Coler*, 166 N. Y. 1), after the decision of the Supreme Court the New York courts drew distinctions between the legislative control over the wages of employees of the city and those to be paid by contractors on public works, but the constitutional amendment of 1905 (Art. XII, sec. 1) conferred full power upon the legislature to regulate and fix the wages or salaries and the hours of labor of all state and municipal employees and of all persons employed by contractors on state or local public works.

The plaintiff urged that the long line of decisions in New York and many other states following the doctrine of *Atkin* v. *Kansas* had been overruled by *Connally* v. *General Construction Co.*, in which the Supreme Court held that the statute of Oklahoma imposing a penalty upon a contractor on public works for not paying the prevailing rate of wages in the locality was unconstitutional as prescribing a test too obscure and indefinite to sustain the charge of a crime. Justice Cardozo points out that the problem in the instant cases is of quite a different order; that it is merely the question of the regulation of the form of public contracts. As the legislature under the constitution of the state has full power to prescribe that such terms be included in state and municipal contracts, it follows that no power exists to contract unless the provision be inserted. Its inclusion in the contract does not constitute a crime or add anything to the risk of criminal prosecution. The crime would consist not in the violation of the contract, but in violation of the statute. Therefore, the plaintiffs may not be heard to insist that the contracts will be void; their rights are measured by the statute and there can be no illegal act nor waste of public moneys in the mere adherence to the commands of a constitutional enactment.

While the court does not in these cases pass upon what remedies, civil or criminal, may be available to a municipality if such contractual provisions may be violated, the learned Chief Justice rather caustically observes that the term "prevailing rates of wages" has a background of over twenty years of legislative history and of practical construction, so that "one finds it hard to believe that a cliché so inveterate is devoid of meaning altogether. Learned judges have said that it is synonymous with market rate. . . . There can be little doubt that it would furnish us with criteria of conduct adequate for civil, if not for criminal, liability."

✠

Civil Service—Right of Employee Unlawfully Discharged to Compensation.—The right of a civil service employee who is unlawfully ousted from his position to recover his wages for the time he is kept from performing his duties was in issue in two recent cases, *City of Toledo* v. *Osborne* (155 N. E. 250) and *Bassler* v. *Gordon* (253 Pac. 228). In the first case, Osborne sought to recover in an action for damages for his unlawful discharge from the position of assistant operator of the high pressure pumping station. The position was under the classified service and his discharge violated the provisions of the civil service regulations. While the supreme court of Ohio held that he was entitled to his salary, as the discharge was illegal and void, the judgment for damages was reversed upon the ground that the issue could only be tried by the method provided by statute, which is exclusive and takes away the right of either party to have the question determined in a collateral proceeding. The remedy is therefore by mandamus, to which the plaintiff was remitted.

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[1] See, also, *Long* v. *Village of Oak Harbor*, 51 N. E. 800 (1925), in which the court of appeals of Ottawa county, Ohio, sustained an injunction at the suit of an abutting owner against the erection of a comfort station in the street near his premises.

In the case of *Bassler* v. *Gordon, Mayor of Kansas City et al.*, the plaintiff, a milk inspector under civil service, sought to recover his wages during the period he had been illegally ousted from his position. He had been restored to his position as the result of the decision of the supreme court in *Bassler* v. *Gordon* (119 Kan. 40, 237 Pac. 907), which reversed a judgment quashing a writ of mandamus brought by him for reinstatement, the court holding that he was an employee and not an officer and therefore was not ineligible because of non-residence. In the instant case the court holds that the position of an employee under civil service is based upon contract, and that he is not in law entitled to the salary attached to his employment as is an officer, who is unlawfully kept from discharging the function of his office. The court holds that no liability in tort attaches to the city for the unauthorized act of its officers, who were acting in a governmental capacity in discharging the plaintiff, but suggests that an action for damages may lie against the mayor and commissioners privately and against the person who drew his salary for money had and received. The court therefore restricted his recovery to the salary he would have received, less the amount paid by the city to the illegal incumbent and less the earnings of the plaintiff during the time he was ousted.

The doctrine of the instant case that money paid to a *de facto* employee may be recovered in an action by the one entitled to the position is an extension of the general rule applicable to the relations of *de jure* and *de facto* officers (*Sutliffe* v. *City of New York*, 117 N. Y. S. 813). In some jurisdictions the right of recovery of the salary or fees paid *de facto* officers has been modified by statute and they are held entitled to retain what they have received while discharging the duties of the office. (*Chubbuck* v. *Wilson*, 151 Cal. 162, 90 Pac. 254; *Erwin* v. *Jersey City*, 60 N. J. L. 141, 37 Atl. 732.)

✣

Municipal Ownership—Construction of Water Works and Lighting Plant Through Special Improvement District.—In Arkansas, improvement districts may be created in a city or town for the purpose of constructing water works or electric lighting systems, the cost to be collected by means of special assessments upon real property; and such districts may embrace the entire area of the municipality. Such public works may also be constructed directly by the city or town which may resort to taxation or indebtedness to defray the cost. In *Bank of Commerce* v. *Huddleston* (291 S. W. 422) the question arose whether a city in such an improvement district was authorized to contribute to the district part of the cost of the installation, in view of the usual constitutional provision against municipalities lending their credit and giving aid to or appropriating money for "any company, association or corporation." The plaintiffs sought to enjoin the city of McGehee and the bank from collecting taxes to pay warrants issued to pay in part the costs incurred by the special improvement district of coterminous extent by which the water works and electric lighting plant had been erected. In reversing a decree in favor of the plaintiffs, the supreme court holds that the constitutional inhibition does not extend to exclude aid to other public agencies by the state, and that the wide powers conferred upon cities to construct such works imply a power to aid the special improvement district by contributing to the cost, especially where the general public so largely shares in the benefits of the enterprise.

The rationale of this decision rests in the peculiar relation of the city to the improvement district, which in this case was in effect only a convenient means of assisting the city to finance the public works. The statute provided that a sinking fund should be established, that the surplus revenue be turned over to the general fund of the city, and that upon ultimate liquidation of the cost, the works should become the property of the city. Except for the purpose of avoiding the handicap of a constitutional limitation on indebtedness for expenses not specially assessed, the Arkansas plan seems rather a crude method of financing the erection of public works. An exemption of such works from the tax and debt limits imposed by the constitution or general laws and an extension of the power to the city to construct them by special assessment would accomplish the same end without encountering the legal and financial difficulties resulting from a division of responsibility.

⁂

Moral Obligation of City to Pay for Labor and Material Furnished Under a Void Contract.—The power of a city to voluntarily pay for labor and materials furnished under a void contract recently came before the supreme court of New York in *In re Shaddock* (220 N. Y. S. 113). In this case a contract to do plumbing and heating work for the city had been adjudged illegal because of the contractor's failure to submit separate bids, and a permanent injunction restraining further payments thereunder had been sustained by the court of appeals. Thereafter, by resolution, the city council ordered payment of the balance to be made and the contractor applied for a writ of mandamus to compel compliance therewith. In granting the mandamus, Justice Horton held that the city under section 20 of the General City Law has power to recognize claims based upon an equitable or moral obligation and that the statutory inhibition against granting extra compensation to any contractor does not apply to such a case. The mandatory character of the provision against extra compensation to contractors in the New York constitution is set forth in the well-known case of *McGovern* v. *City of New York* (234 N. Y. 377), in which the court of appeals denied the power of the city, even under express legislative authority, to bind itself to pay extra compensation to a contractor, who was caught at the outbreak of the war with an improvident contract for sub-way construction on his hands. While the reasoning of the court seems to be technically correct, it might result in the anomaly of one operating under an invalid agreement being better off than one furnishing labor and materials under a valid contract where the actual outlay exceeds the agreed price. The opinion in the instant case is sustained by the previous decision of the court of appeals, in *Ward* v. *Kropf* (207 N. Y. 467), to which Chief Justice Cullen filed a vigorous dissent, upon the ground that the doctrine enunciated would form a precedent for the easy evasion of the safeguards enacted by law for the protection of the public against the unlawful acts of its officials.

It seems clear that the instant case can be supported only upon the showing of the record that the payment to be made is not of a balance due on the alleged contract, which is void, but is founded upon an independent determination of the amount the city should pay on a quasi-contractual basis.

⁂

Quasi-Contractual Obligations—Liability of City to Pay for Gas Furnished by Public Service Corporation.—In *Tulsa* v. *Oklahoma National Gas Co.* (252 Pac. 431) the supreme court of Oklahoma finally affirmed an award of damages against the city for gas furnished by the plaintiff corporation, billed to it at rates in excess of those fixed in the ordinance granting the municipal franchise. The city further maintained that under its charter it could not bind itself by contract except by following the procedure therein prescribed and that no recovery should be allowed for service rendered or material furnished in violation of such provisions. To these objections, the court called attention to the fact that under the laws of the state, the rates to be charged by the plaintiff were not subject to be fixed by contract but were regulated by the Public Service Commission and that the corporation was bound to furnish the service to the city upon request; the resulting liability to pay for service rendered being therefore imposed by law. The opinion in this case supplements those in *Edwards* v. *School District* (246 Pac. 444) and *Delaware County* v. *New Dispatch Co.* (251 Pac. 606) in defining the extent of liability of the municipalities of Oklahoma in quasi-contract.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Bus and Trolley "Coördination" in New Jersey.—The Public Service Railway Company of New Jersey for many years has had practically a monopoly of trolley service in northern New Jersey and certain other parts of the state. After 1917, however, this monopoly of local transportation began to be invaded by buses. The latter were operated by individual owners who obtained permits to operate from the local municipalities served. There was no regulation by the public utility commission.

By 1923 the inroad of this competition upon the street railway traffic had become substantial and the management of the railway company decided that the wiser course would be to buy out and not fight the private operators. A separate bus company was organized which immediately pursued the program of purchasing the private buses and permits and to develop a bus system operated in "coördination" with the street railways. The new company now operates a fleet of over one thousand buses and during the current year will carry about 250,000,000 passengers compared with about 375,000,000 carried by the affiliated trolleys. The bus system has thus become a full-fledged utility and under the law of 1923 is brought under full regulation by the public utility commission.

The object of purchasing the private buses as frankly expressed by the Public Service management was to eliminate cut-throat competition and avoid unnecessary duplication of service. The management fully believed that the street railways remain essential as the principal mode of transportation and that the buses are really serviceable only for supplementary purposes. Its problem was to save the large railway investment of about $100,000,000 and to prevent disorganization through uncontrolled bus competition. Doubtless the purpose as thus conceived was to eliminate practically all competing bus lines and to use buses only in territory not already supplied with local transportation.

But this apparent expectation has not been realized. The buses had come to stay wherever they had been introduced. Great physical improvements have been made during the past five years. Besides the people want the buses and would not permit the service to be withdrawn. The greater economy as well as public preference appears to be increasingly with the buses. Consequently, what is to be done?

The management faces a serious problem. Unquestionably it is not receiving an adequate return on the street railway property on the basis of ordinary valuation. It has experimented with various fare systems, but in 1923 went back to the five cent fare with zones corresponding with local municipal boundaries. The same rate of fare is charged on the buses although the zones do not in all cases harmonize with the trolleys. It is now attempting to reduce the bus zones on a number of lines to bring them into harmony with the corresponding trolley zones. This particular form of "coördination" would affect, on the selected lines, about 60,000 people a day and would impose an additional fare. The municipalities affected are opposing the change because the existing rate and zone had been established and maintained by the private operators and see no reason why the same arrangement should not be continued under the Public Service management.

The case is being heard by the board of public utility commissioners and has aroused a great deal of public interest. It involves the important question—to what extent should the street railway and bus transportation be coördinated as a matter of sound public policy? There are fundamental differences in the physical constituency and the economic basis of the two agencies. This appears especially in the roadway facilities employed. The street railway must provide and maintain its own complete roadway and connected structures. The buses run on public streets and highways provided and maintained at public expense. The result is that the street railway requires about five times the relative investment for carrying the same number of passengers compared with buses. In the face of this striking technological and economic difference, what are the proper principles of "coördination" between the two services?

The Public Service management naturally would fix the same fares and zones for the two agencies and, of course, would so arrange them as to obtain a full return upon the street railways as well as upon the bus investment, regardless of the differences in the cost of service. The municipalities, however, insist that each utility must be treated by itself; the rates and zones of each should be fixed according to its own costs and operating status. The municipalities claim that at present rates and zones the bus company is already obtaining a liberal return of over ten per cent upon the fair value of the property used in operation. Consequently they insist that no changes are warranted whatever the financial necessities of the railway company may be. The commission thus faces squarely the important question, which doubtless will appear often in all parts of the country during the next ten years—to what extent shall the bus fares be fixed upon equality with street railway fares notwithstanding the differences in cost of service. For the two utilities furnishing local transportation, naturally the same system of fares is ultimately inevitable. The question is shall the fares be fixed on the basis of cost incurred by the less economical or the more economical agency.

◆

Control of Power Companies.—This is a report by the Federal Trade Commission in response to Senate Resolution No. 329, Sixty-eighth Congress. It relates to the organization, control and ownership of the electric power industry. It presents the historical development of the principal power groups, shows the present scope and character of control, and describes the methods of financing. It is devoted particularly to the so-called General Electric group, but includes also the more important other groups which exercise substantial influence in the electric power business.

The document is extremely important partly because it makes generally available the facts relating to electric developments and partly because of the public problems which it helps to clarify. The chief point is the great extent to which the electric industry is controlled by groups of holding companies. In the case of the General Electric groups, there are several major holding company groups; each major company controls minor holding companies as well as operating companies; all are under the common management and control of the Electric Bond and Share Company, which until recently has been owned directly by the General Electric Company. Likewise the other groups are built up through holding companies and affiliated subsidiaries. These holding company groups have come to be the dominant form of organization. Their scope has advanced rapidly and is expanding with leaps and bounds. No one group, however, has a dominant influence in the industry.

The second point that appears is the relative small financial interest actually owned by the controlling corporation or individuals. In the General Electric group the percentage of even the common stock of the major holding companies owned by the Electric Bond and Share Company, is ridiculously small. Passing then to preferred stock of the holding companies and their bonds, these securities are distributed among the general public. Likewise the bonds of the operating companies are held by other interests. By the ownership of a small percentage of the common stock of the principal holding company, and then through various financial affiliations, control is exercised over widely ramifying companies operating all over the country, all under single domination. Control in most cases rests upon less than ten percent of the actual investment in the properties. In some instances it represents no actual investment. The facts presented strikingly confirm Professor Ripley's statement as to the increasing divorce of ownership and management.

In such a system there is, of course, opportunity for extensive manipulation in the interest of the small management group against the vast variety and number of investors as well as against the consuming public. The form of organization rests upon sound economic grounds. The consolidation into extensive units under a single control has the advantage of making available the great economies of large scale production; this is a fundamental feature of electric production and distribution. It makes available also the advantages of the best engineering, managerial, and financial services. The system as such is practically inevitable, but it does greatly augment the problem of public control to prevent exploitation and to assure the distribution of the advantages to ordinary investors and the public at large.

There has been, naturally, extensive competition among the several holding company groups in the acquisition of individual properties. Consequently the purchase price of the property has in many instances exceeded the fair value from the ordinary standpoint of rate-making and sound financial management. The bids rested not upon the value of the properties as they stood at the time of purchase, but upon the economies expected from the reorganization to follow the purchase. The consequence of such a course, therefore, has been to capitalize the advantages of unification and large scale operation and to prevent or greatly defer their accrual to the consumers. This in turn, invites public opposition to a national and desirable economic development. This situation has probably created during the past few years the principal support for the reproduction cost valuation for rate-making and has been chiefly responsible for the rather absurd drive against any deduction for depreciation.

On the basis of reproduction cost without any deduction for depreciation, the acquired companies could be made profitable to the holding company interest, even at an excessive purchase price. Control, moreover, could be obtained through a smaller cash equity. The vaguely defined and indeterminate rate base upon which regulation has been maintained, has facilitated the holding company consolidations and has prompted the excessive bidding for the properties acquired. The ultimate effect is to arouse public antagonism. In the face of this situation it seems particularly necessary to establish a definite basis of valuation for rate-making and thus make impossible the financial practices that are distinctly against the public interest.

The General Electric Company has disposed of its direct control over the Electric Bond and Share Company, which, in turn, controlled the several holding company groups. There is doubt, however, whether any real disposition of control has been effected. A new holding company was organized whose capital stock was taken in exchange for that of the Electric Bond and Share Company. Then the common stock of the new holding company was distributed *pro rata* among the stockholders of the General Electric Company. This form of disposition would indicate that probably the same individual interests that dominate the General Electric Company will continue the substantial control of the Electric Bond and Share Company, whose relations with the subsidiary groups have not been changed.

◆

Fort Worth Pays Ten Cent Cash Fare Combined With Weekly Pass.—With the consent of the city council, the Northern Texas Traction Company has recently instituted a new schedule of fares on the street car system of Fort Worth, Texas. The new rate has at least one novel feature. The Northern Texas Traction Company has during the past few years been much in the public eye. The street car service of Fort Worth was one of the first, if not the first, to adopt one-man car operation exclusively on its entire system. For a long time Fort Worth was the largest city in the country using 100 per cent one-man car operation. Further, the trackage and equipment of the company was so modern and so efficiently operated, that two years ago Fort Worth was awarded the Coffin Medal for the best service and the best operated traction company in the United States.

The latest fare schedule again calls the attention of the street railway world to Fort Worth because of a modification of the weekly pass system introduced thereby. The single cash fare charged is ten cents, which at first thought seems rather high for 100 per cent one-man car operation. The ticket charge, however, is three for twenty-five cents, which would cost the passenger at the rate of eight and one-third cents per ride. The new weekly pass costs but forty cents, and does not entitle the holder to ride thereon without additional cost, as is usually the case with passes; he can ride however, at five cents per ride as many times as he wishes during the given week. On the basis of twelve rides per week, the passenger would pay forty cents for the pass, and sixty cents for the trips, or one dollar in all; the net rate would be eight and one-third cents. All rides in excess of twelve per week would be at the rate of five cents. It remains to be seen whether this form of low initial cost weekly pass will do what is intended for all weekly or periodical passes, i. e., stimulate traffic. If it results in a greater use of street car facilities to an extent greater than that of the ordinary weekly pass, the adoption of this plan elsewhere should follow. The greater the use of the street cars by a pass holder, the less his unit cost of fare. A holder riding home for lunch each day could conceivably use the pass twenty-four times a week at an average cost of six and two-thirds cents per ride. Allowing in addition for an occasional trip downtown in the evenings, thirty rides per week would reduce the rate to six and one-third cents per ride. We are informed by C. A. Winder, Supervisor of Public Utilities, Fort Worth, that "this increase seemed to meet with the general public approval, as there were practically no complaints filed with the Council protesting the increase."

Mark Wolff.

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Relief from Paving Obligations Granted to Trolleys in New Jersey.—The long campaign waged by street railway companies all over the country has finally borne fruit in New Jersey. A year ago the 1926 legislature passed a bill which sought to relieve the street railway companies of the state from the obligation of paving and maintaining the paving within the track area; the bill was vetoed by the governor. This year the 1927 legislature passed substantially the same bill with some changes, which was again vetoed, and then passed over the veto. The bill was met by sharp public opposition on the part of the municipalities as well as by the larger counties. The obligation had been fixed mostly by local street railway grants as a condition for permitting the construction and operation of the lines. This condition was thus nullified by the legislature without the local consent of the municipalities. The additional costs upon the municipalities will amount to about $300,000 a year.

The new statute recognizes, however, that the old requirements were not wholly arbitrary as generally claimed by the street railways. Unquestionably the trolleys cause considerable direct impairment of the paving and should be responsible as a minimum for at least such maintenance. This has been provided for. The companies must repair direct damages and in connection with their own maintenance must restore the paving to the condition existing before it was disturbed. There will be, however, great difficulty in administering this part of the law. How in any particular instance can the fact be determined whether the impairment within the track area is due to the vibration and wear caused by the trolleys, or to the pounding by trucks and other vehicles? The administration of the law is likely to be involved with many disputes. What the companies may gain on paving, they may lose on legal expenses and in public ill-will generated through litigation. Doubtless an effort will be made to repeal the law whenever sufficient votes in the legislature can be marshalled against it. The matter naturally furnishes an excellent political issue. The law was passed by a Republican legislature; and the Democratic aspirants may be trusted to lead the opposition.

Another Change in New York Commissions.—Prior to this year the last change in the New York Public Service Commission and other commissions having to do with public utility regulation was made in 1921 under the leadership of Governor Miller. There had been a number of earlier changes each of which produced disorganization in function and personnel and unquestionably left regulation in the state on a poorer basis than before. Once more under the general reorganization of the state government there has been a commission reorganization. A general department of public service was created for the state at large, and the existing commissions have been made divisions of the general department. The chairman of the present public service commission is the head of the entire department. The exact functions of the department as such and the power of the head over the commissions, were not explicitly provided for and there is doubt as to the exact legal status. It had been assumed, however, that the existing commissions would continue undisturbed and that each would maintain its identity and independence as before; the public service commission with jurisdiction over all utilities of the state except transportation within the city of New York, and the transit commission with control over the single utility in the city of New York.

The first serious conflict has just appeared in the administration of the new reorganization. Contrary to general expectations the head of the department has assumed administrative power over the transit commission as well as over the public service commission of which he is the chairman. In a recent letter to the transit commission he has requested the elimination of a number of engineering, accounting and other technical positions maintained by the transit commission. His request is based upon a comparison of costs incurred by the two commissions and his belief that the transit commission is incurring unwarranted expenses. There is, of course, a great difference in the function of the two bodies so that valid comparison of costs involves considerable difficulty. The legal right to such interference with the policies and management of the transit commission will doubtless be challenged and a lively legal struggle may ensue. This would probably involve not only the merits of the question but practical political considerations. The head of the department is a Republican, while the chairman and majority of the transit commission are Democrats.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Boston Finance Commission.—During April the Commission carried on the following investigations: Preliminary study in connection with proposed survey of the Boston public school system, under the auspices of the department of education of Harvard University; checking requests for abatement of taxes; checking payments made in the soldiers relief department. Several reports were made, including one on methods of the city of Boston of restoring street surfaces where openings have been made by city departments or public service corporations.

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Buffalo Municipal Research Bureau, Inc.—As announced last month, Harry H. Freeman, formerly on the staff of the Rochester Bureau of Municipal Research, was chosen in March as director of the newly-established Bureau. Offices were secured and fitted up in the White Building, and the finance committee began the task of raising the budget. The new Bureau had sufficient funds in sight to justify starting operations in May. Its initial work has not been definitely decided upon as yet, but undoubtedly one of the first studies will be of the financial practices and procedure of the city government. The Bureau hopes to work in close coöperation with the new charter commission and also with the Mayor's committee on capital expenditures, the latter committee being engaged in the preparation of a ten year capital expenditure program for the city.

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California Taxpayers' Association.—Much of the Association's effort during the month of April was directed to securing passage by the legislature of several efficiency and economy measures. These measures were:

Senate Bill 298. This measure provides a plan and makes it mandatory for each county to prepare a proper annual budget.

Assembly Bill 819. This bill makes possible the centralized purchasing of school supplies through the county purchasing agent or through the county superintendent of schools. It has not been possible heretofore for school districts to purchase jointly.

Senate Bill 510. This measure amends in many ways the several improvement acts under which our cities and counties and special assessment districts have been working. The advantages gained under the enactment of this measure are simplification and unification, as well as the fact that the amendments establish the right of protest by 60 per cent of the taxpayers in any given district as final.

A most extensive study dealing with tax conditions in Kern county has been completed during the past month, and is now in the hands of the printer. This study will point the way to many economies without impairing in any sense the efficiency of the different governmental units.

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Citizens' Research Institute of Canada.—The institute held its annual meeting on April 20. The annual report has since been published.

A study is being made of progress in provincial accounting and financial reports during the last ten years. A study is also being made of the relation of the growth of population to the growth of taxation.

Considerable progress has been made during the past month with the first portion (City Section) of the 1927 issue of the *Red Book, Financial Statistics—Canadian Governments.* It is expected that this section will be published early in June. The 1927 edition will be the eighth publication of what is now termed the "Red Book." It contains statistics of Canadian federal and provincial governments as well as all Canadian urban municipalities with over 400 population. Municipal treasurers are thus enabled, almost at a glance, to see how their city compares with others of like population and, undoubtedly, this comparison tends to improve conditions in the various municipalities.

Cincinnati Bureau of Municipal Research.—The criminal justice survey announced last month is actively under way, the first step being a statistical analysis of the court process. All felony cases for one year are being followed through the various steps from apprehension to final disposition. Dr. Gehlke of Western Reserve University is consultant on this phase of the work, and University of Cincinnati law students are taking the information off the records.

A joint improvement program committee, made up of representatives of the city, schools, and county, has been organized. Steps are being taken toward the formulation of an improvement program along the lines suggested in a report drafted by the director of the Bureau and the secretary of the city planning commission. The Bureau will assist in the preparation of the financial data.

City council has recently adopted an administrative code which establishes the departmental and bureau organization for the city government. With the exception of certain recommendations relative to finance and public works, this code as adopted closely follows the tentative draft prepared by the Bureau.

As a follow-up of its police report, the city manager has recently requested the Bureau to install a complete record system.

The classification and standardization of the duties and salaries of the civil service is nearing completion. R. O. Beckman, who is directly in charge of this work, expects to complete it early in June.

The first issue of the *City Bulletin* of Cincinnati has recently appeared. This was another subject discussed in a report of the Bureau, and the type of journal is similar to that recommended.

✤

Dayton Research Association.—The Dayton Research Association has recently completed a study of the organization, methods and activities of the Young Women's League, a body interested in the leisure-time activities of women and girls. The study was made for the purpose of outlining a program to make a better use of their resources.

A study of the organization, methods and personnel of the court of domestic relations and the juvenile court of Montgomery county has been made and is being used by the court as a program for its reorganization.

1927 budgets for the county and schools compared with 1926 have been published in pamphlet form.

At the request of the community chest, the Association is now making a study of the associated charities, a family welfare organization of Dayton.

The government of the county is also being given considerable attention, with a view to the introduction of better methods and more efficient expenditure of tax funds.

✤

Des Moines Bureau of Municipal Research.—The Des Moines Bureau of Municipal Research was largely instrumental in the passage of laws in the Forty-second General Assembly of Iowa, just adjourned, providing for permanent registration for elections in Iowa cities and for biennial school elections in lieu of annual elections.

It also gathered information which facilitated the passage of a law requiring the issuance of serial bonds instead of term bonds by local subdivisions. This will save immense sums to taxpayers by stopping the prevalent practice of issuing term bonds without making any provision for paying them off, and then refunding them.

The Bureau also presented a law requiring counties to adopt a budget system, but this was smothered in a senate committee after having passed the house. However, this measure stands a good chance of passage in the next legislature as it gained a number of adherents at this session.

The Bureau also aided in the defeat of a number of proposed laws which would have materially increased taxes. Effort to block "tax-boost" legislation was difficult in the recent legislative session by reason of the absence of any organized lobby in the interest of taxpayers which contrasted with the large lobbies maintained by other groups supporting legislation which entailed added expense. It is hoped that prior to the next session of the legislature an informal state-wide organization can be formed which will scrutinize legislation which unnecessarily increases governmental expenditures and which can arouse concerted action to defeat any such legislation.

✤

Taxpayers' League of St. Louis County, Inc. (Duluth).—Passage by the state legislature of an enabling act permitting the city of Duluth to establish a small claims court in connection with the municipal court has enabled the city to enter this field of municipal activity under extremely favorable conditions.

The Taxpayers' League performed much of the original research and educational work necessary to bring this to the fore, and a committee of the city council, municipal judges, labor unions and retail merchants drafted the law as finally passed.

A unique feature of the Duluth court is that cases involving less than $50 are automatically forced into the small claims court by the abolition in the municipal court of statutory costs for such cases. The law is patterned largely after the special laws applying to Minneapolis and St. Paul, but has many features founded on the Massachusetts law.

The city of Duluth has let a contract for the construction of a new city hall. About four years ago the city council took steps to let a contract for a building which was estimated to cost in the neighborhood of $1,750,000. The Taxpayers' League protested this action, and was able to convince the city officials that such an expenditure was unwarranted. Eventually all proceedings were annulled, and the Taxpayers' League was invited to prepare a program suitable for conducting an architectural competition for the design of the new building. A member of the staff of the League was appointed architectural adviser during the competition, and the same staff member was again appointed on a building commission appointed by the city council for the work of supervising the letting of contracts, general construction, etc. Bids have been received and a contract is about to be accepted which indicates that the completed building, architect's fees, furniture, and everything complete, will cost not to exceed $845,000. The building is to be of monumental appearance, faced with granite, and so designed that future additions can be made as necessary. The unit about to be constructed is designed to meet the needs of the city of twenty-five years.

The Taxpayers' League has prepared for the civil service commission a classification for positions in the police department.

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Taxpayers' Research League of Delaware.—The general assembly of Delaware in the last few hours before adjournment on April 8 passed the biennial "Claims Bill," which appropriates to various public officials and also to private individuals compensation for various "moral" claims against the state for which no regular appropriation is available. Included in the claims bill this year were varying sums for all the members of the general assembly, which sums were explained as compensation for mileage.

After considerable newspaper clamor, the Taxpayers' Research League of Delaware was requested from several sources to make an investigation of all the items in the claims bill. Accordingly, the League announced publicly that it would conduct such an investigation and requested the governor to withhold action on the bill. Representatives of the League succeeded in obtaining interviews with various members of the claims committees of both legislative houses and secured from them information which, pieced together and checked against itself, explained each item in the bill.

At the end of a week, the League was able to submit to the governor a report, which was also released to the newspapers, showing (1) that each member of the legislature was allowed 10 cents a mile from his home to Dover and return for each of the 64 legislative days of the session; (2) that to this mileage had been added for each member $40 salary in excess of the limit fixed by the constitution of the state; (3) that each member of the budget committee was allowed $300 special compensation in addition to his salary. The report also showed that in several instances the distances had been excessively calculated; that absences had been ignored; and that no account had been taken of the fact that some members used railroad passes and that very frequently three or four members traveled in one automobile.

Other interesting items explained in the report included $500 for the chauffeur of one legislator; $500 for the reading clerk of the previous legislature, who failed to be reappointed; $200 to the brother of a senator for drafting bills for the senator, despite the fact that the services of four attorneys were regularly employed for the benefit of the members of the legislature.

Within an hour after receiving the League's report, the governor announced his disapproval of items amounting to over $30,000. These included all the items covering mileage, excess salary, and extra compensation for members of the budget committee. Later he announced his disapproval of twelve other items aggregating more than $6,000.

In its public comments on the investigation, the League emphasized the fact that the actual money saved in this instance was far less important than the need for a different attitude on the part of public spenders toward public funds.

✣

New Bedford Taxpayers' Association, Inc.—In addition to watching the monthly departmental expenditures, the New Bedford Taxpayers' Association is making a detailed budget study of the health department. The budget of the health department for this year is less than the previous year and it is hoped that the present study will point out to the city officials sufficient savings so that the expenditures can be kept within the budget without reducing the necessary health service of the city.

✣

Philadelphia Bureau of Municipal Research.—In coöperation with the department of the receiver of taxes, which reads meters and renders bills for water, the Philadelphia Bureau has undertaken the computation of the metered water consumption of the city.

About 32 per cent of the water services in Philadelphia are metered at the present time, other services being on fixture rates. Metering of all services has been urged repeatedly by the Bureau, by commissions of engineers, and others. In support of this, estimates have been made of the probable effect on water consumption and upon the problem of future supply. The step also has a financial aspect through its relation to the city's income from the water works.

However, the metered consumption has not been known with any degree of accuracy. To tabulate the meter readings of over 130,000 services was an undertaking of some magnitude, which is probably the reason that it had not previously been done. Its importance in the water supply situation seemed to warrant the labor, and the work has now been in progress for several weeks. Records are being made of the kind of use such as domestic, industrial, etc., and size of meter so that the study may include the water consumption by classifications of uses and services.

The Philadelphia Bureau has engaged Dr. Ralph P. Truitt, director of the Division on Prevention of Delinquency of the National Committee for Mental Hygiene, to study the medical department of the municipal court of Philadelphia, as part of the survey of the court which is being made by the Bureau as agent of the Thomas Skelton Harrison Foundation.

✣

San Francisco Bureau of Governmental Research.—In connection with the making up of the San Francisco budget for 1927–28, the Bureau has prepared for the finance committee of the board of supervisors a chart and report on the percentage increase in cost of living compared with salary increases granted large groups of city employees. This report may serve as a temporary standard of measurement to judge salary increase requests, pending the adoption of a modern job classification and salary standardization scale.

A study of population shifts and rates of growth in San Francisco and California since the last federal census has been completed.

W. L. Henderson has been added to the staff to assist in the salary standardization work the Bureau is carrying on in coöperation with the civil service commission.

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School of Citizenship and Public Affairs, Syracuse University.—The students in the graduate course in public administration are making a classification of the employees of the city of Syracuse for the purpose of standardizing salaries. One of the members of the group is making a careful investigation of the cost of living and the going rates paid in certain callings outside the city government. This work is being conducted under Howard Evans, who is just getting under way a study of the financial program of the city for the next ten years. Mr. Evans is working under the auspices of the recently appointed Municipal Research Committee.

✣

Toledo Commission of Publicity and Efficiency.—The Commission has finished an inventory of city owned land parcels which are not being used for a permanent public purpose. It is hoped that the results of this inventory will aid the city officials in the disposition of the parcels not suited for public use. In connection with this inventory, it was found that the methods of keeping the deeds on city property were not all that could be desired. The Commission is attempting to work out a satisfactory method of filing the information on the deeds.

NOTES AND EVENTS

I. GOVERNMENT ACTIVITIES AT HOME

EDITED BY H. W. DODDS

Should Civil Service Commissions Participate in Dismissals?—A Letter to the Editor Published with the Writer's Consent.—I have read with considerable interest, and not without some surprise, your editorial comment on "Political Meddling with Police and Fire Services"[1] in Cleveland and your rather strong assertion that a civil service commission should have no authority with respect to the restoration of persons dismissed from the public service. I, of course, know full well the position of the city manager group as well as that of a great many other of the civic groups interested in better public administration, with respect to the right of appeal on the part of dismissed public employees, yet I have never been able to understand why one group of people, having a real interest in better government, should persistently and insistently hold suspicion against and opposition to another group equally as interested in the same thing but centering their interest on some particular part of public administration.

I have observed some things detrimental to the public service and to good government generally resulting from the restoration of dismissed employees whether that restoration has been by a civil service commission or by some other regularly constituted authority. I have observed a great deal more of injury to the public service and to the cause of good government as result of numerous conditions and things other than the right of a dismissed employee to appeal to a civil service commission, to the courts, or to some other authority.

Personally, I do not consider that the exact extent of the authority of the civil service commission or the right of appeal assured to a dismissed employee is going to determine in any very large measure the ultimate progress in government; neither do I think that the assumption on the part of any particular group of people, however sincere and however right they may be, that the whole truth respecting good government is in their keeping, will result in any great good.

Of course I appreciate the fact that you have in mind that a politically controlled civil service commission is doing its bit in this instance in Cleveland to throw the monkey-wrench into the machinery. All of the information that I have is to the effect that this is so, but isn't the remedy to eliminate that type of commission rather than to condemn the right of some kind of appeal to some regularly constituted authority for the employee or person who feels himself aggrieved, a procedure so generally recognized in the body of law in this country as to need no particular defense, unless it be that one is fully convinced that the system of appeal is completely wrong, should be eliminated from American jurisprudence, and proposes to begin by attacking the right of appeal by the public employee? Isn't it quite as likely, and does it not as frequently occur, that the city manager government or the city manager, if you please, will be responsive to undue political influence as will be, or is, the civil service commission?

I personally believe that what the city manager group is advocating generally in the way of municipal administration is sound doctrine and there have been demonstrations enough to prove that the city manager, for a great many municipal corporations at least, insures a much better government. I have never been quite able to understand the opposition of the city manager group which amounts almost to an obsession, it seems to me, to the authority of a civil service commission. The city manager movement has had a very encouraging growth. It has had a solidarity among its advocates and a leadership which the civil service movement has not had except for short periods. The city manager idea has been much better served by the propaganda dispensing bodies than has central employment control, or the merit system, in the public service.

I do not anticipate that the merit system movement is going to be greatly subordinated to the city manager movement; neither do I believe that either movement is going to advance very far if it is put forward merely as a reform. The

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[1] See Review for March, p. 151.

"reformer" has rather over-done his job. The public now demands, I think, positive proof of the soundness of any change in the administrative scheme of government as a constructive factor. If I am able to sense the attitude of administrative officials, there is a growing conviction that the whole personnel problem is hopeless in big jurisdictions unless it is handled in some systematic way and there are indications on every hand that central employment control is going to be demanded and required, not because it has its advocates but because it is a necessity to orderly control of the employment problem in government. I think that the city manager movement can hinder the progress of the merit system. I think also that the advocates of central employment control can at least hinder the progress of the city manager movement. I wish very much that the sound thinkers in both groups, and I am entirely willing to admit that you have more of that type in the city manager movement, would get together and work together. There is a place for the city manager in municipal government. There is also a place for the employment agency in government generally and until there is a great change in our administrative and judicial procedure there should be the right of appeal of some sort assured to persons or employees who feel themselves aggrieved, to some authority other than that authority which is felt to be responsible for the grievance.

I have a feeling that such editorial comment as is found in the March issue of the NATIONAL MUNICIPAL REVIEW and coming from you, materially hurts the civil service movement and I do not believe that it helps the city manager movement. I have no axe to grind. I have just read your comments and I feel that I should like to say these things to you in a very informal and personal way.

Sincerely yours,
CHARLES P. MESSICK.

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Rapid Transit and More Rapid Transit.—So long as the centralized growth of cities continues to overshadow decentralization, despite those who preach its evils, there comes a time when rapid transit is the only effective means of moving the increasing numbers of people who find it necessary to visit some portion of the central district each day. The aggravation of crooked, narrow streets forced Boston to expend vast amounts at an early date and many times since in a patchwork ramification of elevated lines, and subways, in some of which surface cars, singly or hooked up in twos or threes, still operate. The December, 1926, Report on Improved Transportation Facilities in the Boston Metropolitan District, by the official division of metropolitan planning, proves anew the wastefulness of proceeding without a comprehensive plan, as it recommends among other things the practical abandonment of over a quarter of a mile of recently constructed double-track subway with a loop and two elaborate stations, as well as another comparatively new open portal and ramp, and extensive alterations to various other stations, demonstrating however material savings in the development of the system by so doing.

All the railroads and three of the nine rapid transit lines entering the central city terminate there, a situation now recognized as inefficient and causing congestion before the capacity of the rest of the routes is reached, besides giving poor service in distribution of passengers to the point they desire to reach within the city. To get more passengers in means more downtown subways. Fortunately another quarter mile of subway and a slight rearrangement of tracks will link up two of these loop terminals; and a relatively inexpensive extension of a mile and a quarter, partly in subway and partly in open cut, will tap the Huntington Avenue surface line beyond the zone of heaviest street congestion. For a mile beyond this, where single and double cars now operate on a narrow reserved space in the center of the 100-ft. street, and also for two miles out beyond the portal of another subway, on Commonwealth Avenue, the somewhat novel recommendation is made to operate four and six-car rapid transit trains on the surface, with pantagraph trolley and overpasses at a few of the more important cross streets. Elsewhere it is deemed that the delay of trains by vehicular cross traffic would be very slight, but there is no mention of the delay to that vehicular cross traffic by four and six-car trains passing in both directions on the assumed 90-second headway. Allowing a safety speed across the intersection of eight miles per hour and a minimum of a car-length in front of the train to be clear of vehicles, the crossing would be blocked one-third of the time by trains moving in each direction; and as the traverse of trains moving in opposite directions could not be accurately synchronized without disrupting their own schedules and services they would together block each crossing from one-half to two-thirds of the time during the rush hour.

Since the modest program proposed involves an expenditure of fifteen millions and more in further extensions later, the report recommends a fifty-year extension of the present public control of the local transit system, its complete reorganization and the utilization of the state's credit. The recently adjourned session of the legislature, which must act on all such matters, paid scant attention to any of these recommendations, and did nothing beyond interrogating the justices of the supreme court concerning certain points in one of its own plans for further public control. It did, however, request the division of metropolitan planning to restudy the problem when the answers to these questions are made public; and the Boston transit department is already authorized to expend $2,500,000 to extend an existing subway from its present portal on the intown side to the far side of the desperately congested five-point intersection of Governor Square.

Arthur C. Comey.

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The Departments of Street Railways of Detroit has published the following progress report covering the six years of municipal ownership and operation of the Detroit system:

Reduced its debt from $41,080,000.00 to $29,015,009.22.

Set up accrued depreciation in the amount of $4,991,560.22.

Paid all operating and maintenance expenses, including the paving between the tracks.

Paid taxes on the physical property of the entire system amounting to $750,000.00 annually.

Purchased 378 new passenger and 58 service cars such as flat cars, line cars, snow sweepers, etc.

Constructed 51 new passenger cars and built 183 old cars at its own shop.

Equipped 126 passenger cars with automatic air compressors, thereby enabling the abandonment of 12 air charging stations at various locations on the system.

Purchased 301 new motor coaches and placed them in operation, serving 160 miles of coach routes.

Constructed 40 miles of new track and completely rebuilt 24 miles of old track.

Designed and constructed the following buildings:

Administration Building (Main Office)—St. Jean and Shoemaker.

Highland Park Paint Shop—Third and Labelle.

Highland Park Heating Plant—Third and Labelle.

Second Avenue Garage—Second and Labelle.

Additional Coach Storage Station—Second and Labelle.

Passenger Shelter Station—Woodward and Gratiot.

Replaced approximately 385 miles of old trolley wire. Installed 30 miles of new feeder cable. Erected 3000 new trolley poles and replaced 2000 old poles.

Installed 35 automatic electric track switches. Eliminated 564 passenger stops with the inauguration of the "Skip Two Block" stop plan. Under this arrangement the average running speed of cars has been increased from 9.30 to 10.04 miles per hour and a saving of approximately one-half million annually has been effected.

Granted liberal concessions in the transfer privilege, permitting passengers to ride on three connecting lines for one fare.

Increased the rate of pay to employees approximately 25 per cent.

Conducted a continuous campaign in the prevention of accidents with the result that the average number of accidents per 100,000 car miles has been reduced approximately 25 per cent, thereby attaining the lowest accident record in the United States.

Spent $1,000,000.00 for street widening purposes, in return for which not one penny has been received.

Acquired 1900 passenger carrying units, serving an area of 140 square miles and transporting one and a half million passengers daily.

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The Westchester County Municipalities Organize a Planting Federation.—All four of the cities and eight of the villages in Westchester county have banded themselves together to promote community planning and to provide a clearing house for information on planning and zoning matters, and to coöperate with the appropriate state and county authorities in matters affecting the county plan.

Mayor William A. Walsh of Yonkers is president; Mayor Frederick C. McLaughlin of White Plains is vice-president; Wayne D. Heydecker, chairman of the Planning Board of Mount Vernon is secretary and Earl B. Wilson, a member of the Planning Board of Tuckahoe is treasurer.

While the organization was still in process of formation its legislative committee under William Cravath White, village attorney of Scarsdale, coöperated with the Regional Plan of New York and its environs in securing the passage of amendments to the city, village and town laws, conferring new powers on planning boards, establishing city maps and improving planning procedure.

The organization itself is interesting. Each municipality has but one vote but may be represented by as many persons as desired, thus the chief executive, the members of the planning board, the members of the zoning board of appeals and the chief legal and engineering officers and such other persons as the council may determine, constitute the representatives. The city dues are $250 a year; villages over 10,000 population pay $150; villages 3,000 to 10,000—$100; villages under 3,000—$50. The schedule of dues for towns is the same as that for villages. The county is divided into sections for convenience in order to promote a more intimate discussion of common local problems. A series of meetings on practical planning problems is contemplated during the next few months.

The Federation's office is at 130 East 22d Street, New York. One preliminary research report on the economics of apartment houses from the municipal standpoint has already proven of considerable local interest.

Wayne D. Heydecker.

✣

The Steel City for a Day of Beauty.—Hundreds of flowers on risers under gaily colored awnings with garden accessories arranged on ornamental booths will change the appearance of a city thoroughfare into an Aladdin city which will spring up in a night. All of which means that the Civic Club of Allegheny County will repeat on June 9, in William Penn Way, Pittsburgh, the Flower Market held for the first time last year.

In addition to all kinds of articles that may be used in the garden for work or pleasure, furnishing or ornament, there is a light lunch for those who have but a short time at noon. Under gay umbrellas sandwiches, cake and coffee, may be enjoyed for the twenty minutes or half hour allowed.

One of the new attractions will be the Flower Show on the stage of the Nixon Theater which opens into the street. Here an amateur exhibition of roses, peonies, and assorted garden flowers will have a background of table decorations, brides' and graduates' bouquets, flowers for all ocassions featured in a non-competitive show by the commercial florists.

At night when the stars come out there will be dancing in the street. Good music and light feet and a man can forget his years and his forbidden calories, and just live like a regular fellow for a day and—"help a good work to keep working."

The outstanding feature of the Civic Club Flower Market may be described as the atmosphere which it creates and the novel and refreshing element which it introduces into the busy, humdrum life of downtown commercial Pittsburgh. Brilliant color, the freshness of flowers and plants, beauty of feminine face and costume, cheerful music, and friendly meeting and greeting, all combine to create a joyous spirit that is as far removed from the daily grind of store and office as could possibly be conceived, and which suggests that probably one of the most important contributions of the annual return of the Flower Market may be the brightness which it will bring into the routine of the lives of those who, by their labors in the business world of the city, are contributing so much to the prosperity and progress of the Pittsburgh district.

H. Marie Dermitt.

✣

State Supervision of Municipal Finance Defeated in Minnesota.—Due largely to the organized opposition of the League of Minnesota Municipalities, the drastic proposal for state supervision of municipal finance, strongly supported in many quarters, never came to a final vote in the recent session of the Minnesota legislature. The bill had two objects: (1) The provision for a procedure by which the state tax commission could review not only local tax levies but bond issues as well; and (2) the establishment of procedures and forms for municipal budget and accounting systems.

Under the plan, the governing body of each municipality was to be allowed twenty-one days after submission of estimates by the budget officer in which to pass the appropriation ordinance and within five days thereafter was to authorize the tax levy. If it did not do so by this date, any ten voters who were freeholders could compel the tax commission to fix the tax levy. In this case the commission's decision was final and not subject to popular referendum.

But even should the governing body complete its work within the specified time, one per cent of the freeholders (never more than 500 required) were enabled to petition the tax commission for a review, whereupon the commission could approve or reduce but not increase the amounts. Its decision in this case, however, could be set aside by a three-fifth's majority of the voters at a referendum election. The same procedure also extended to bond issues authorized by the governing body.

The other part of the bill provided that the state comptroller was to prescribe a system of records and accounts for the municipalities, which were to be uniform whenever practicable. The comptroller was also to prepare instructions for the installation of the accounting systems. The fiscal year was made to correspond with the calendar year.

The opposition to the plan was based mainly, not upon the provision for a uniform system of accounting or budget procedure, but on the power given the state tax commission to interfere in the determination of the local tax levy and in the issuance of municipal bonds. Among other things, this was claimed to be a violation of the right of home rule exercised by municipalities in Minnesota. E. C.

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Pennsylvania Politicians, especially certain ones from Philadelphia, have in the past few months attracted the unfavorable attention of other parts of the United States. Evidently not all Pennsylvanians have approved their conduct and some have even organized themselves into citizens' associations for the purpose of investigating the activities of government officials and disseminating information concerning them. Such organizations seem to have been unwelcome to some who resent the white light that beats, or should beat, upon a public office. Accordingly a bill was introduced and pushed through both houses of the legislature to require civic organizations to register in at least two public offices the names and addresses of all their members. Fees were to be required for registration and heavy penalties were provided for failure to comply with each provision of the bill.

Fortunately, the governor vetoed the measure. In his veto message he declared that the proposed law would subject to criminal prosecution every public-spirited citizen acting alone or in conjunction with others if he failed in the unnecessary formality of registering. Certain organizations, such as the Committee of Seventy in Philadelphia, had been active in the search for and the revelation of election frauds and it was they at which the bill was particularly aimed.

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No Police Home Rule for Missouri.—St. Louis, Kansas City and St. Joseph, Missouri, have again failed in the effort to secure police home rule. For many years the police departments of these cities have been administered by state commissions not responsible to the voters of the municipalities. State administration once quite general in the United States, has now disappeared from all but a handful of cities and the return of home rule in police affairs was one of the recommendations included in the report of the Missouri Crime Survey. Other measures proposed by the Missouri Association for Criminal Justice met a similar fate in the legislature.

The home rule police bills were caught in a legislative tangle. Due to local conditions in Kansas City the Democrats wanted the police commissioner appointed by the city council on which they had a majority of one, but the Republicans wanted him appointed by the mayor, a Republican. This made little difference in St. Louis where both the mayor and council are Republicans but brought about the failure of the bills in the house.

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Augusta County, Virginia, the county seat of which is Staunton, the home of the city manager plan, now claims to have in sum and substance a county manager with duties corresponding to those of a city manager. The new "manager" is in fact clerk of the board of supervisors. Heretofore the law has required that the county clerk should serve as clerk of the board. The supervisors, however, secured an amendment to the county code permitting them to elect their own clerk. This clerk or "county manager" will be custodian of the county sinking funds, purchasing agent for county institutions and buildings, and director of the budget. The office of superintendent of county roads, an important post, remains as before although its financial operations will clear through the office of the "manager."

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The Newport City Manager Charter which was approved by the people by a four to one vote last

February failed of passage in the legislature. The popular referendum was merely advisory but in spite of the unqualified verdict of the people the city council refused to permit the city solicitor to present the new charter to the legislature on behalf of the citizens of Newport. As a result of this action the volunteer citizens committee presented the charter directly to the legislature through Senator William F. Whitehouse and Representative John Scannevin. The charter, however, was smothered in the corporations committee of the senate.

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New Bond Law for Minnesota.—The Minnesota legislature has passed a municipal bond act which closely resembles the model law drafted by the League's committee on municipal borrowings and published as a supplement to the February Review. Its principal provisions require that only serial bonds be issued, that the principal be paid during the estimated life of the improvement and that all bond issues be registered with the auditor of the county in which the municipality is located.

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The Rochester City Manager Charter has been sustained by the appellate division of the New York supreme court. The case will now doubtless be appealed to the court of appeals of the state.

Readers will recall that the lower court sustained the new home rule charter with the exception of the non-partisan election of the city council. Although the decision of the appellate court is confined to a consideration of the election provisions of the charter the necessary implication is believed to be towards sustaining the charter in its entirety.

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The People of Charleston, South Carolina, are to vote on June 15 on the adoption of the city manager plan of government under an enabling act passed by the state legislature at this last session. At this writing the attitude of the political leaders is uncertain, inasmuch as they have not yet decided which way the vote will go.

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The Committee of One Hundred which secured the adoption of city manager government in Oklahoma City has continued its success by the election of its candidate for mayor and for all members of the city council. The new government, therefore, starts under the most favorable auspices.

II. GOVERNMENT ACTIVITIES ABROAD

EDITED BY W. E. MOSHER

Municipal Reorganization in Argentina.—The legislature of Argentina has recently passed a bill for far-reaching reforms in municipal government. It has, however, been vetoed by the executive but the prospects seem favorable for passing the bill over this veto. The responsibilities of municipal officials are carefully outlined. Standard methods of handling and investigating local finances are prescribed and a considerable degree of centralizing authority is provided for in that the comptroller has the power of appointment of the treasurer, the director of public works, sanitary engineer and the officials of various municipal banks. With regard to this important office it is further provided that the comptroller may be dismissed after public trial before a jury of the principal taxpayers.

In the matter of elections both popular representation and universal suffrage are adopted. Foreigners who pay fifty dollars taxes have a right to vote. The suffrage is also extended to foreigners who have lived in the country for two years, who are married to Argentine women and have one or more children, although they do not pay taxes.

In the membership of the council a very decided reform is introduced in that members who die, resign or are dismissed are to be replaced automatically by the candidates who follow them in their party list. That is to say, that the number of ballots cast will not determine the succession but rather the order of the list. It is thought that this will lead to a more representative type of government.

Considerable attention is being devoted to tax regulation. The cities are suffering from the fact that about forty different types of taxes are being collected at the present time. This leads to complicated machinery and an extensive bureaucratic personnel. In spite of the number of tax sources there is still insufficient revenue so that a subsidy system is required. In general, it is claimed that the Argentine municipalities put too heavy a tax on consumption and labor while wealth goes scot-free. Taxes on door and window openings, buildings, and repair of buildings and business concerns, are enumerated as characteristic methods of raising municipal funds. In only two provinces, St. John's and Cordova, has there been a reaction against this system. The first taxes real property and the second has increased the tax on open land.—*Revista Municipal*, Number 3, 1927.

*

Housing Activities.—The London County Council has made an enviable record for itself in the progress made toward meeting the demands for suitable living quarters that are within the means of the poorer class of its population. Great tracts of undeveloped land have been purchased and developed as satellite towns. Slum and unhealthy areas have been cleared and new dwellings constructed. The total number of houses constructed by the council number today 16,341. This represents accommodations for some 5,700 persons at the rate of two persons per room. The total investment amounted to 384,000 pounds up to March 31, 1926. The income from dwellings aggregated 813,000 pounds for the same period.

The council has also encouraged private enterprise by means of subsidies. Furthermore, in a single year it made 1,387 advances in the form of loans. The amount involved under the latter heading was nearly 890,000 pounds. Taking into account expenditures of this character, as well as direct investments by the council the grand total up to March 1926 is in excess of 20,000,000 pounds. The losses due to unoccupied dwellings and rent written off as irrevocable are said to be infinitesimal.

In all probability it may truthfully be claimed that no other local authority has been so active as the London County Council in providing accommodations for the poorer classes. And the end is not yet in sight, as the 1919 program called for the erection of 29,000 houses, tenements and flats.—*Municipal Journal*, April 8, 1927.

*

Public Baths and Washhouses.—Acts have been passed by parliament whereby it is now possible for all local communities to establish baths and washhouses. Regulations as to public decency come under special police clauses. Maximum charges have been set until recently by the central authority. Charges for a spray bath, for instance, might not exceed one penny for cold water and two pence for warm water. This includes one clean towel. Open air swimming baths might not cost more than one penny. In 1925 an act was passed whereby the local authorities are permitted to arrange their own charges. Bath premises may now be purchased outside the jurisdiction of a given authority and the covered swimming pools used for concerts, dances and the like.—*Local Government News*, April, 1927.

*

Municipal Pocket Money.—The city of Glasgow provides for its spending money by what is known as the "Common Good Fund," which has been accumulating for 350 years. The original nest-egg was the proceeds of the sale of lands belonging to the city. It is understood that this fund is not subject to parliamentary interference and restrictions. The definition of the fund is as follows: "The Common Good consists of such property and funds as are held by the magistrates and the council on behoof of the community, unfettered by any restriction as to its disposal, save conformity to common law and the promotion of the public weal of the burgh."

The assets of this fund amount to 10,000,000 pounds and the liabilities to 9,500,000. To the assets must be added, however, some 4,000,000 pounds which have accrued from the surplus of the tramways. The tramways are valued at over 7,000,000 pounds.

Some of the expenditures which have been met by government coöperation from this fund are as follows: financing of coast excursions for poor mothers and children, maintenance of city churches, grants to hospitals and infirmaries, colleges, orchestras and concerts. In the period of unemployment the fund is used extensively to pay the rents of families in distress. Assistance has been given in a thousand other directions. In general, the fund has been used to further municipal culture, education and charities.

Glasgow is not alone in having the dispositions of money of this sort and for these purposes. Other Scottish towns are similarly provided.—*Local Government News*, April, 1927.

*

Extension Training of Officials.—A technical training school for government officials was launched last October in Hanover. It is backed by the municipal organizations of Hanover and carries with it the principles outlined in a memorandum of the Prussian League of Municipalities published a year ago. All officials who are members of the Hanoverian League, as well as other Leagues, may participate in the instruction. The school is planned for the middle group of officials, offering theoretical instruction, both for the simpler phases of administration and for the more difficult and the more advanced services. The former course lasts for one year and the advanced one for four months. Examinations are given at the end of these courses. Such examinations serve as a basis for advancement. Practical experience, as well as general culture, are prerequisites. The emphasis upon general culture is very marked. In fact, it is considered to be the primary requirement.

The instruction does not lay exclusive stress upon what might be called the technical aspects of government service but upon the development of independent thinking, observation and initiative. The capacity for presenting one's material orally is given its proper place. Weight is laid upon the coöperation of students as a method of instruction. The teachers have all come through practical experience or are engaged in practical work at the present time. For the purpose of making the instruction more effective provision is made for lectures and observations outside the school. Visits to municipal and provincial legislative bodies as well as the administrative agencies are projected as a part of the program.

Among the major purposes of the school is the development of morale throughout the public service, an increase in the opportunities for transfer from one jurisdiction to another and for the exchange of officials. So far as the curriculum is concerned the tendency will be to integrate all phases of public administration.—*Zeitschrift fur Kommunalwirtschaft*, March, 1927.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC.

Required by the Act of Congress of August 24, 1912,

Of NATIONAL MUNICIPAL REVIEW, published monthly at Concord, New Hampshire, for April 1, 1927.

STATE OF NEW YORK, COUNTY OF NEW YORK, SS.

Before me, a notary public, in and for the State and county aforesaid, personally appeared H. W. Dodds, who, having been duly sworn according to law, deposes and says that he is the editor of the NATIONAL MUNICIPAL REVIEW and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:
    Publisher, National Municipal League, 261 Broadway, New York.
    Editor, H. W. Dodds, 261 Broadway, New York.
    Managing Editor, None.
    Business Managers, None.
2. That the owner is: The National Municipal Review is published by the National Municipal League, a voluntary association. incorporated, 1923. The officers of the National Municipal League are Frank L. Polk, President; Carl H. Pforzheimer, Treasurer; H. W. Dodds, Secretary.
3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.
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H. W. DODDS,
Editor.

Sworn to and subscribed before me this 3rd day of May, 1927.

[SEAL]

STEPHEN J. SZENDY, JR.

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THE REFORMER

A reformer is one who sets forth cheerfully toward sure defeat. His serene persistence against stone walls invites derision from those who have never been touched by his religion and do not know what fun it is. He never seems victorious, for if he were visibly winning, he would forthwith cease to be dubbed "reformer." It is his peculiar function to embrace the hopeless cause when it can win no other friends and when its obvious futility repels that thick-necked, practical, timorous type of citizen to whom the outward appearance of success is so dear. Yet, in time, the reformer's little movement becomes respectable and his little minority proves that it can grow and presently the statesman joins it and takes all the credit, cheerfully handed to him by the reformer as bribe for his support. And then comes the politician, rushing grandly to the succor of the victor. And all the crowd! The original reformer is lost in the shuffle then, but he doesn't care. For as the great band-wagon which he started goes thundering past with trumpets, the crowd in the intoxication of triumph leans over to jeer at him — a forlorn and lonely crank, confidently mustering a pitiful little odd-lot of followers along the roadside and setting them marching, while over their heads he lifts the curious banner of a new crusade!

Richard S. Childs

NATIONAL MUNICIPAL REVIEW

VOL. XVI, No. 7 JULY, 1927 TOTAL No. 133

EDITORIAL COMMENT

What Can Our Cities Afford to Spend? Dr. Upson writing in this issue on "What Our Cities Can Afford to Spend" says that in 1917 a typical and average Detroit home paid $46.12 in educational and other municipal taxes; today the same home pays $112. The assessed valuation of this home was $3,340 in 1917; today it is $5,000. The tax rate in 1917 was $13.81; today it is $22.57. In each year, education was the largest single item. In 1917 it consumed 26 per cent of the total tax paid by the average home owner; today it absorbs 34 per cent. For the trend of taxes spent for particular activities see the table included in Dr. Upson's article.

To compensate for the inflated dollar, the wholesale commodity index was adopted. Curiously enough, this applied to per capita expenditures of the largest cities, revealed actual decreases in nine of the twelve. In the 146 cities for which the census bureau has the records for the ten year period the real increase in per capita expenditure was only 38 per cent. Since 1916, however, the per capita income (real, not nominal) has increased 30 per cent. Since the above per capita income figures apply to the country as a unit we should probably discover, if we had the data for cities alone, that city incomes had increased more than the national average of 30 per cent, and that the increase in real income in the cities was as great, if not greater, than the real increase in municipal taxes.

*

The Delaware River Water Compact For the past three years the states of New York, Pennsylvania, and New Jersey have been trying to reach an agreement for the joint development and use of the Delaware River waters in the interest of the municipalities of the three states. A compact was drawn up during the past year and submitted for approval by the legislatures of the three states. Subject to other provisions the compact would permit Pennsylvania to use 900,000,000 gallons per day, New York 600,000,000 gallons and New Jersey 600,000,000 gallons to be taken from any tributary of the Delaware River or directly from the Delaware channel or from both.

The existing rights and privileges of each state would be carefully guarded and a reasonable joint development would be provided. Up to date, however, the compact has not fared favorably. It was adopted by the state of New York, but was not acted upon by either Pennsylvania or New Jersey. In the case of the latter, there appeared to be a misunderstanding as to the provisions relating to the waters available to Trenton and the lower section of the state; a misunderstanding commonly attributed to a public statement made by a prominent political leader who had not read the compact. As to Pennsylvania there seems to be widespread fear that the state would not retain the privileges that it feels entitled to because of the extensive watersheds within its territory. This is a typical instance of the enormous difficulties encountered in promoting and carrying out large public projects that involve the interests of more than one governmental body. Yet such joint public enterprises must be developed to an ever increasing extent not only as to water but as to all other utilities. Vision, patience and faith will be extremely necessary virtues.

J. B.

*

Compulsory Automobile Insurance a Factor for Safety Mr. Robert S. Marx will present in our August issue a strong argument for compulsory automobile compensation insurance as a condition to obtaining a driver's license. The personal injury suit, he well points out, is no remedy for the vast majority of automobile accidents. As was the case with respect to the injured workmen under the rules of common law, if the injured plaintiff has been negligent in the slightest degree, even although the careless driver was 99 per cent negligent, no damages can be collected.

Compulsory liability insurance is good enough as a half-way measure, but is inadequate at best. Although it may make more difficult the collection of damages by forcing the injured person to engage in an unequal legal contest with a powerful insurance company, it at least eliminates the financially irresponsible driver. Compensation insurance, on the other hand, is designed to compensate victims of accidents irrespective of fault. Damages would be awarded on a fixed schedule, expensive litigation would be eliminated and the money paid in premiums would not be consumed in court fights.

Mr. Marx draws the analogy of compulsory workmen's compensation, once bitterly opposed, now generally accepted. He suggests that, while the avoidable accident toll is today cruelly heavy, a minimum of traffic accidents, after the manner of industrial accidents, is "inherent in the trade" and compensation therefore should be as automatic in one case as in the other.

To those who see in this proposal an encouragement to reckless driving, the author replies that similar arguments were used against compulsory workmen's compensation. But as a matter of fact the latter has proved a gratifying deterrent to accidents through the safety work which it has instigated. The same principles applied to automobile accidents may bring forth similar fruits. They are worthy of most serious consideration.

*

Uniform Budgets for North Carolina Counties North Carolina has taken another forward step in providing for a uniform county budget system. The legal provisions behind this system are contained in a law enacted by the 1927 legislature, called the "county fiscal control act." This law, by the way, is one of the five acts passed during the session which have as their purpose the improvement of the organization and methods of county government in the state.

The county auditor is made responsible for the preparation of the county budget. In those counties which have no auditor, the office of county accountant is established and charged with the same duty. The head of each county department or office is required to file with the auditor or accountant on the first of June, estimates of his expenditure requirements for the fiscal year beginning on July 1. The estimates of revenue are made up by the auditor or accountant. The budget must be prepared and sent to the county board by the first Monday in July of each year. The board is required to file a copy of the budget for inspection with its clerk and to furnish a copy to each newspaper published in the county. This must be done at least 20 days before the appropriations are passed. The appropriation resolution must be adopted by the fourth Monday in July. The county board may change the budget recommendations of the auditor or accountant as it sees fit, except in the case of proposed appropriations for debt service. Supplementary appropriations may be submitted by the budget maker and passed by the board, provided this is done before the Wednesday following the third Monday in August, at which time the tax levy must be fixed. The law contains several important provisions on the expenditure and control of the appropriations.

Since the law has been enacted, the county government advisory commission, which assisted in the drafting and passage of the law, has formulated a budget classification, uniform estimate blanks, and general instructions for the preparation of the county budgets. These have been submitted to the county budget officials preparatory for the preparation of the budgets during May and June, 1927.

The primary budget classification is according to funds, some nine general classes of funds being recognized. Supporting this classification is one by organization units or activities and one by objects. The main groups of the object classification are (1) personal services, (2) supplies and materials, (3) other expenses, and (4) equipment and additions other than replacements. Income is classified by sources under the headings of property tax, redemptions of tax sale certificates, interest on delinquent property taxes, privilege taxes, poll tax, licenses and permits, marriage licenses, fees, departmental earnings, interest on tax sales, jury tax, state appropriations, federal appropriations, contributions and grants received, tolls, interest on bank balances and deposits, interest on investments, profit on the sale of investments, sales of supplies, and sales of equipment and property. Code numbers are supplied throughout the classifications and the county budget officers are requested to use these in connection with the appropriation accounts.

The estimate blanks are of three general forms. The first set of forms is to be used in making up the departmental estimates; the second set is for the purpose of setting forth the bond interest, redemption, and sinking funds; and the third set is in the nature of a recapitulation for the whole county government. Each set consists of several sheets and is accompanied by complete instructions for preparation.

A. E. B.

*

Measuring Municipal Efficiency The twenty-five criteria of good city government set forth in Professor Munro's fourth edition of his *Government of American Cities* has proved the basis for at least two efforts to estimate the quality of government rendered by particular cities. Louis P. Head is the author of a series of articles, appearing originally in the *Dallas News* and later combined in a pamphlet, applying the Munro tests to Dallas. According to Mr. Head, Dallas grades but 56 per cent on the twenty-five questions propounded, only thirteen can be answered in the affirmative. In twelve cases the answer must be a flat "No."

Another application of the Munro criteria has been made by the Citizens Bureau of Milwaukee. Unlike the Dallas report, the Milwaukee document does not undertake to give a direct answer to each question, preferring merely to outline the existing situation and let the reader decide for himself the degree to which the city is performing its functions. Without attempting any municipal scoring, the Milwaukee Bureau has assembled the evidence; an impartial jury, however, will frequently be compelled to report that Milwaukee is falling short of excellence.

A new experimentation with measurable standards is suggested by Ray M. Hudson, chief of the Division of Simplified Practice of the United States Department of Commerce. In a bulletin, "Ours Is a Good Town to Live In," he calls attention to the need of a "common yardstick" if our communities are to develop consistently. To aid in the establishment of such a yardstick Mr. Hudson proposes a national conference to develop a national standard rating scale. While no formal national competition is suggested, it is believed that the utilization of such a scale by cities everywhere would constitute a continuous contest through the desire of each city to compare favorably with others in its class. Mr. Hudson's scale includes social, economic and political elements. Many will differ with him as to weights to be given the various factors in a rating scale. Certainly many students of government will find little significance in a value of 30—out of a possible 1000—for one police unit to 2000 inhabitants; or in a value of 40 for a per capita tax rate as low as $10.

The search for efficiency "yardsticks" is sound and should be encouraged. The difficulty with all those suggested to date is that they mean so little. In private business the cash register tells the story; success or failure depends upon what it reports. But city governments don't use cash registers and no "efficiency registers" have yet been constructed which yield any conclusive information. Police efficiency tests may soon be developed, but the number of policemen per thousand of population reveals nothing that is really useful. The general criteria of Professor Munro, general and intangible as they are in some cases, are to be preferred to superficial scorings which may serve only to mislead.

The National Municipal League has recently joined the ranks of the venturesome promoters of "standards." Foregoing the bright temptation to build up municipal score cards, the League will shortly publish a pamphlet outlining, for each particular department of municipal administration, what is believed to constitute adequate service together with the necessary organization and facilities for rendering the service. The purpose is to carry Professor Munro's criteria into more detail, and it is hoped that the interested citizen, by comparing the standard service and organization with what he finds in his own city, will be led more intelligently to commend that which he finds excellent and to correct that which he finds defective.

"WILL LIVELONG" HELPED TO MAKE APRIL SAFE IN PHILADELPHIA

A month's safety campaign built up around the personality of "Will Livelong," a real though anonymous personality, reduces the accident toll. :: :: :: :: :: :: :: :: :: ::

ALL through the month of April the destinies of children, pedestrians and autoists in Philadelphia were watched over and zealously guarded by a Safety Sage of large repute—by name, "Will Livelong." This kindly old chap, a real flesh-and-blood character, was chosen as the central figure of a very intensive campaign to reduce the street accident hazard. His true identity was not revealed until the closing days of the campaign, strong efforts being made throughout the month to stimulate the curiosity of the public as to just who was this venerable philosopher of safety, whose quizzical glance peered out from the street cars, buses, taxicabs, newspapers and posters everywhere in the city.

When the 29th of April rolled around, "Will Livelong," in the person of W. F. Hogan, a retired civil engineer who many years before had been active in building a number of the cable car lines in Philadelphia, received a decided ovation. Mayor Kendrick welcomed the Safety Sage at City Hall and thanked him officially for the splendid work which had been done in reducing highway accidents in the Quaker City during the safety month. A luncheon was tendered in his honor, and all of the organizations which had actively participated in the drive joined in a cordial testimonial to the man whose kindly personality had so won the public interest.

It was a happy inspiration which suggested the name "Will Livelong." It was a stroke of real fortune that so splendid a type could be found to fill this all-important rôle. When the campaign ended, so widespread had been the publicity given to the Safety Sage, and so thoroughgoing the educational work carried on in his name, that "Will Livelong" was unquestionably the best known character in Philadelphia.

Behind him were lined up the department of public safety, the public and parochial schools, the Philadelphia Rapid Transit Company, the Citizens' Safety Committee of the Chamber of Commerce, the automobile clubs and a host of other bodies directly or indirectly concerned with the problem of insuring greater street safety. Funds to the extent of $10,000 were provided by P. R. T. In addition, the transportation company contributed the services of a number of its people to handle the mass of detail and general publicity work incident to the campaign. All of the bodies which participated did splendid work, however, not only within their own organizations, but in providing radio and other speakers and in helping to insure city-wide coverage with the safety material which was provided.

Actual results from the campaign were encouraging. It was rather surprising to note that more than two

Kubey-Rembrandt Studios

W. F. Hogan as "Will Livelong"

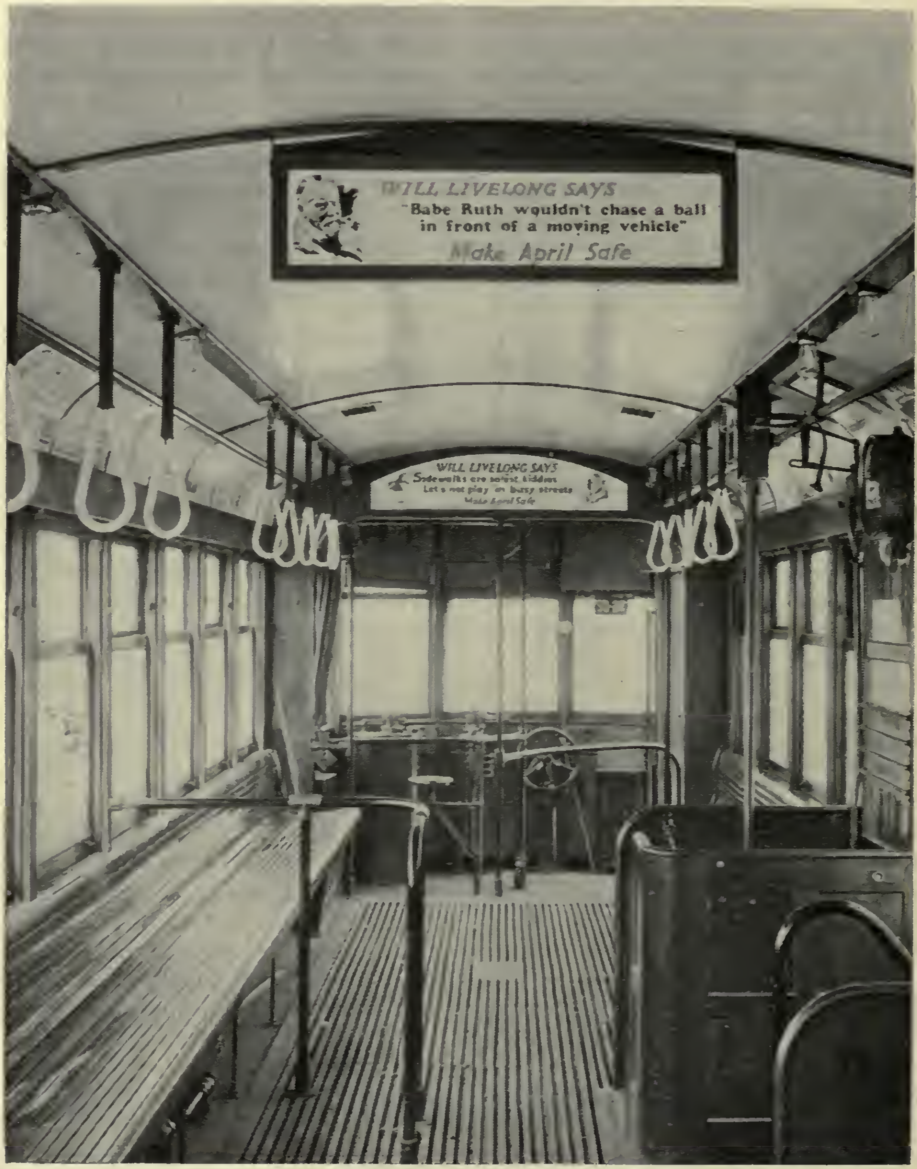
Whose kindly face adorned all signs and publicity displayed in the Philadelphia safety campaign and one-half weeks of concentrated effort were necessary to stem the rising tide of street accidents resulting in injuries and fatalities and to start the trend downward once more. The momentum of the juggernaut of *carelessness* was greater than had been anticipated. However, when the peak was finally reached and the daily toll began to lessen, the downward trend of the curve was quite marked. Street fatalities in April were reduced 26 per cent from the figure for the same month in 1926, the total this April being 22 while that in 1926 was 30.

In order to make the safety effort as effective as possible, the campaign was divided into four distinct weekly phases, the first of these, from April 3 to 9, dealt with children's accidents, and very intensive work was done in the schools to arouse the "accident consciousness" of the pupils. April 10 to 16 was designated as "Pedestrian Safety Week" and the sins of omission and commission by jay-walkers were stressed. "Automobile Safety Week" extended from April 17 to 23. During this time the automobile clubs and the large fleet owners were exceedingly active in pressing the need for greater caution and for increased road courtesy upon their members and employes respectively. The final week of the month was used for a general attack upon all types of accidents, and definite efforts were made during this period to perpetuate the educational work along safety lines throughout the year. This latter work will largely be conducted through the schools and such organizations as the Safety Patrols, the Boy Scouts and Girl Scouts, for it has been found that children respond much more readily and satisfactorily to long-continued efforts of this nature than do the grown-ups.

After "Will Livelong" had been established in the public mind as a character, whose advice on matters of street safety was worthy of careful attention, he was invariably used as the mouthpiece for any and all slogans and messages which were to be presented to the public. Dash, bulkhead and ceiling rack signs were carried on all of the cars of the transportation company and similar signs were used on the other types of public transportation vehicles. These signs bore pictures of the Safety Sage and slogans which were directed at the particular type of accident immediately under consideration. For example, during "Pedestrian Safety Week" the street car dash signs bore the question: "R U J-WALKING? ASKS WILL LIVELONG."

The *Evening Bulletin*, which has the largest circulation of any Philadelphia paper, carried a daily box in its pages containing safety epigrams attributed to "Will Livelong." The community newspapers were particularly active in stimulating interest in the campaign, using a localized and very direct appeal to their readers. The radio broadcasting stations in Philadelphia and WCAM in Camden also lent their full support to the movement, contributing a number of periods on the air throughout the day. It was thus possible for safety speakers and safety programs to reach the radio audience two or three times each day throughout the month. The local moving picture and legitimate theatres did their part by donating free advertising space to "Will Livelong" and by throwing safety slides upon the screens. Local news reel companies were present at various of the safety demonstrations and these pictures were shown in the downtown and neighborhood moving picture theatres.

The safety work did not stop with the close of the campaign, for the various organizations most concerned with the problem of street safety were resolved that this should be no sporadic


WILL LIVELONG SAYS
"Babe Ruth wouldn't chase a ball in front of a moving vehicle"
Make April Safe
WILL LIVELONG SAYS
Let's not play on busy streets
Make April Safe

Typical Signs Used in All Street Cars and Elevated Trains

effort. Through the Citizens Safety Committee of the Chamber of Commerce and particularly through the public and parochial schools the educational work will go on, and "Will Livelong" is looking forward to the day when Philadelphia will step from second place into first place among American cities in the matter of her street safety record.

THE MONTREAL METROPOLITAN COMMISSION

BY FREDERICK WRIGHT

Forum Editor, Canadian Municipal Journal

A successful experiment in federated government for a metropolitan community. :: :: :: :: :: :: :: :: ::

The government of a large metropolitan area today is no sinecure, and the diversity of interests, often combined with public apathy, does not make it any the easier. This is very much the case of Greater Montreal, an urban district which has grown within the last two decades so rapidly in population, in wealth and in cosmopolitanism that its civic administration has actually become a problem intricate enough to test the best minds. Fortunately there is in Montreal one administrative body which, since its creation in 1921, has given the strongest evidence of sound economic government. The purpose of this body, which is known as the Montreal Metropolitan Commission, is best expressed in the preamble of the act establishing it, which reads as follows: "Whereas, while still preserving the autonomy of the municipalities on the Island of Montreal, it is expedient that a system of financial control by a central authority representative of such municipalities, including the City of Montreal, be established for the future."

FINANCIAL NEEDS OF SMALL UNITS

The reason for the commission coming into existence was the financial necessities of certain small municipalities adjacent to the city of Montreal, and the determination of certain other well administered municipalities to keep their local independence. This situation created the opportunity to formulate a plan of administration that would adequately meet the exigencies of the case—that is, the difficulties of the weaker and the demands of the stronger urban districts. The project was worthy of the best traditions of municipal government, and its practicability has been proved by five years' successful administration. Had the plans for this new venture in civic government fallen down and wholesale annexation to the city of Montreal taken place instead, there is every reason to believe that the citizens of the metropolitan area of Montreal would have suffered an enormous additional public expense with increased taxation under a centralized form of government absolutely inadequate for the administration of a large urban area. As it is, the actual cost of administering the commission is under $13,000 per year, while the advances, really loans, to the delinquent municipalities have amounted to approximately $350,000 per year for the five years of the commission's existence.

COMPOSITION AND POWERS

The Montreal Metropolitan Commission is composed of fifteen members, fourteen representing fifteen municipalities—five cities and ten towns—and one representing the municipal department of the Province of Quebec. The proportion of representation is as follows:

City of Montreal	eight members including city comptroller
“ Verdun	one member
“ Westmount	one member
“ Outremont	one member
“ Lachine	one member
Towns of St. Pierre, Lasalle, Hampstead, St. Laurent, Mount Royal and Montreal West	one member
“ Montreal North, St. Michael, Montreal East, and Point aux Trembles	one member

The members of the commission are selected in the following manner: In the case of the cities, by a majority vote of the respective councils; in the case of the towns, the different councils select a delegate who at a meeting called for the purpose votes for the member who is to represent the district in which his town is located. The representative of the municipal department, though he may take part in the deliberations of the commission, has no vote.

All of the member municipalities are under its complete supervision so far as their financial affairs are concerned, with the exception of the city of Montreal itself which is independent of the commission although contributing to its costs and to the funds and credits necessary to place the weaker municipalities on a sound financial basis. It is because of the larger risk and proportional expense which it carries that the city of Montreal selects the majority of the members of the commission.

Before leaving the composition of the commission it might be well to state that the commissioners, with the exception of the city comptroller and the representative of the municipal department, are chosen from amongst the members of councils that come under the jurisdiction of the commission, and that their appointment may be cancelled at any time by the authority who made the selection. In the event that any municipal council does not make a selection within a prescribed time, the Lieutenant-Governor in Council—which in practice means the provincial government—makes the appointment; in the case of the cities, from amongst the members of the local council, but for the towns "it shall not be necessary that the person appointed be a member of a municipal council." The remuneration of the commissioners is at the rate of ten dollars for each sitting of the commission, and five dollars for attendance at each committee meeting; in addition to which the chairman receives an annual indemnity of $2,000.

BROAD POWERS

Broadly speaking, under its charter the commission has the same powers over its member municipalities as an ordinary council has over the public finances of a municipality. That is to say, it has the power to borrow on the joint security of all its units, including the city of Montreal, and assess same with all charges and expenses resulting from the loans, interest on same, and expenses of administering the commission in proportion to the value of the taxable property of each of the said municipalities. Should any of the municipal units fail in any way to meet the amount so levied, the commission may itself apportion and collect the amount upon all taxable property of the municipality in default; in which case the officers of the commission must have free access to the registers and valuation rolls so as to be enabled to prepare a special act of apportionment.

So far as the city of Montreal itself is concerned as already stated, the commission has no control over the administration of its finances, but over the other member municipalities it exercises a general supervision with respect to loans, their proper use and their repayment. Before a loan can be contracted by any of its members, other than the city of Montreal, the sanction of the commission must be secured and as most of the units borrow from the commission itself—it having the power to make such loans—an excellent arrangement has been made by which the officers of the commission and the borrowing municipalities work together in the interest of all parties, the result being that there is not much chance for public extravagance, every dollar of public expenditure being accounted for.

UNIFORM ASSESSMENT

To insure a fairly uniform system of assessment the clerk of every municipality under the control of the commission is obliged within fifteen days of the revision of the valuation roll to send in a statement showing the value of the taxable built property and taxable non-built property, as well as the non-taxable property, and if the commission thinks that the valuation made is not proportionate to that of the neighboring municipalities, it may increase or decrease such valuation in order to establish a fair proportion among all member units. And the commission's decision is final.

Ever since its establishment the commission has realized that its work is very much of an experiment. Consequently its members have been more concerned in laying sound foundations than in building up a mushroom superstructure that might readily fall. In this the commissioners have shown wisdom, but now that the foundation has been proved to be strong enough to support a complete borough system for the metropolitan district of Montreal, it has been suggested by thoroughly competent students that the commission be made the basis for such a system. This may be brought about by gradually adding to the powers of the commission in proportion to its capacity to absorb them. There is no reason, for instance, why the Montreal Metropolitan Commission should not be empowered to prepare a comprehensive plan for the whole Island of Montreal. This, so far as the commercial metropolis of Canada is concerned, is an interborough problem of vast importance, which can only be taken up successfully by an authoritative body having the right to tax for such a purpose.

In conclusion one might add that the success of the Montreal Commission is due very largely to the representative character of its members and its officers. The membership remains practically the same as when the commission was established, so that there has been from the first a continuity of understanding and coöperation impossible in an ever changing body. The officers are highly efficient and imbued with a keen sense of their responsibilities and the opportunities for constructive work that a new undertaking gives. To my mind the creation of the Montreal Metropolitan Commission marked a new epoch in civic administration, inasmuch as it was one of the early attempts in North America to demonstrate the practicability of combining decentralization in civic government and centralized administration of an interurban character in main services such as finance. The fact that the experiment has proved successful is the best indication that coöperation is infinitely better and more democratic than annexation in the development of large municipal areas.

A NEW DEFINITION OF METROPOLITAN DISTRICTS

ADOPTED BY CENSUS BUREAU TO BE WORKED OUT IN COÖPERATION WITH CITIES

BY MARTIN DODGE

Chairman of the Committee on Definition of Metropolitan Regions

The increasing necessity of thinking of and dealing with urban affairs in terms of metropolitan regions rather than only incorporated municipalities has occasioned the formulation of a new definition of metropolitan districts. The metropolitan district or region, according to this definition, is the area "within which the conditions of manufacturing, trade, transportation, labor and living—in brief, the daily economic and social life—are predominantly influenced by the central city." This definition is fundamental, though not precise. It requires interpretation. It is meant to be flexible, rational, and useful and should prove of special utility to city planners, municipal and state authorities, and census officials. It had its origin in the needs of the census.

In May, 1926, the industrial bureau managers of chambers of commerce in some twenty large cities in the country met in Washington. A feature of their conference was a discussion with the director of the census regarding the census of manufactures. Dissatisfaction with the census bureau's basis for metropolitan district enumeration led to the appointment of a committee. In March, 1927, this committee reported at a second conference, attended this time by chamber of commerce industrial men from some fifty cities, and recommended the above definition, which was adopted and agreed to by the director of the census.

THE DEFINITION APPLIED

It is assumed to be applicable to cities of 50,000 population or more. Any city in this population class, upon the appointment of an appropriate committee to work out a definition of its metropolitan district will have the coöperation of the director of the census in arriving at a proper definition for the particular city and in making practical application of it for purposes of the census. The director will assign a representative of the census bureau to work with the local committee for this purpose. Chambers of commerce in cities of 50,000 or more, of which there are about one hundred and forty-five, are now being urged by the Chamber of Commerce of the United States to set up metropolitan district committees in accordance with this plan.

In elaboration of the definition, several factors are significant and have an important bearing on the results to be achieved for any particular community. There should be determined for each city, for instance, the area in which long distance freight rates are the same or approximately the same; the switching limits for freight purposes; the area enjoying the same power service; the area in which retail stores make free delivery in their own vehicles; the area covered by local and suburban telephone service; and the area within commuting distance. Consideration should also be given to population density, although no intermediate territory should be excluded because of sparseness of population. Political boundaries should be followed, whether county, township or municipal.

All of these factors need not apply throughout the territory designated as the metropolitan district, although a substantial number of them should so apply, or most of them should apply to a substantial degree. As the purpose is to determine the area in which the daily economic and social life is predominantly influenced by the central city, the measure of these concrete factors applied after study by the committee in coöperation with the census bureau should net with reasonable accuracy the actual metropolitan district.

PRESENT PRACTICE ARBITRARY

The definition now in use by the census bureau provides an arbitrary district, regardless of the size of the central city, extending ten miles from the city's boundaries, with necessary variations for city or town lines or other civil divisions, in which the population is at least 150 per square mile. This definition is applied to cities of 200,000 inhabitants or more. For cities of approximately the same population, including those up to say 500,000 population, the definition gives a fairly satisfactory measure of the actual metropolitan area. For many cities above this population class, and particularly for the largest cities of the country, the definition is inadequate, neither showing the actual metropolitan district nor admitting of any variation as between cities of different sizes.

These shortcomings are recognized by the census bureau which is anxious to put the new definition into effect. The coming biennial census of manufactures, which will be taken early in 1928 to cover the calendar year 1927, makes it desirable for cities to proceed at once to set up the necessary machinery for coöperating with the census bureau in applying the new definition. In addition to securing the coöperation of social, educational and business organizations interested in this problem, effort should also be made to secure a formal expression from the local municipal authorities regarding the desirability of defining the metropolitan district and its appropriate extent. This will widen the use of the district when created, and also place in the hands of the census bureau evidence regarding the need for metropolitan district enumerations which may be of use in securing such additional funds as will be necessary for this purpose.

It is recognized, of course, that in applying the above definition, two cities may draw metropolitan boundaries that overlap, or that two rival cities lying close to each other may wish to accentuate their individuality by drawing a line between them. The first case may be susceptible of solution on the basis of fact, the second by the creation of a joint metropolitan region, presumably defined through the efforts of a joint committee representing the two cities involved.

WHAT STATISTICS WILL INCLUDE

Manufacturing statistics for the metropolitan district will include the number of establishments, average number of wage earners, amount of wages paid, and value of products produced in the area. This information will all be available by industries. Population statistics, such as total population, and totals for male and female, white and colored, in the district, will also be made available for the decennial census in 1930. More detailed statistics for both the census of manufactures, and the population census, can be secured on the basis of metropolitan regions upon special request to the census bureau and by paying for the extra labor involved.

Census reports for metropolitan districts will of course not take the place of statistics now compiled on the basis of cities proper, or in any way change the census tabulations for other subdivisions.

Aside from census purposes, a well defined and generally recognized metropolitan district will doubtless be used in many instances as the basis for the extension of such municipal activities as cannot well be confined to the boundaries of the incorporated city. These include such matters as water supply, sewage and sanitation, recreational facilities, parks and park police, sanatoria and related health functions, rapid transit, and regional planning. Evidence of the need for the administration of urban services covering these various matters has already appeared, for instance, in the establishment of such agencies as the Niagara Frontier Planning Board, the Division of Metropolitan Planning of the Massachusetts Metropolitan District Commission and The Port of New York Authority.

THE NEW MINNESOTA BOND LAW

BY GEORGE M. LINK

Secretary, Minneapolis Board of Estimate and Taxation

The new law, which follows the National Municipal League's Model Law in many respects, pays great respect to home rule. :: :: ::

The legislature of Minnesota has for the first time in twenty-two years attempted to revise and improve procedure relative to the issue of municipal bonds. In 1905 statutes were passed which specified various conditions under which municipalities of the state could issue bonds, the method of calculating "net debt," the limitations on "net debt," limitations on interest rates, procedure to be followed in securing funds for the payment of the bonds, and other matters that seemed of major importance relative to municipal borrowings.

A résumé of laws authorizing bond issues by municipalities in Minnesota, compiled in 1924, by Mr. W. A. Gray of the League of Minnesota Municipalities, showed that at that time there were on the statute books of the state 143 laws for the purpose of either preventing, permitting or controlling the issue of bonds by cities and villages, exclusive of laws applicable to townships and school districts. Of this number not one applied to all municipalities of the state, 43 applied to all cities of particular classes or to villages, and 100 applied to but one village or city (64 applied to Minneapolis alone).

Fortunately, an active ally in a movement for reform was found in the investment bankers of the state, who probably perceived more clearly than others the need for remedial legislation.

HISTORY OF THE MEASURE

Working jointly, the investment bankers and the League of Minnesota Municipalities drafted two measures which were submitted to the legislature of 1925. One of these measures was intended to control the issue and retirement of all future bond issues, the other to control the retirement or the refunding of past issues. Unfortunately the provisions of the measures were not well understood by some members of the League, resulting in opposition and ultimate defeat of both. An immediate movement was put under way for the drafting of a bill or bills for submission to the 1927 legislature. In order that some measure of improvement might be made, it was decided to avoid controversy and opposition on the less important phases of bond procedure by omitting provisions relative thereto if necessary.

There are in Minnesota certain municipalities that, in the past, have issued obligations almost without hinderance and in consequence are now reluctant to have the facts relative thereto made public. There are others that in the past have made little or no definite provisions for the retirement of outstanding bonds. Both classes objected to any law which would now require definite accounting relative to such obligations. It was decided that this opposition warranted omission of legislation relative to past bond issues, and the restriction of any new bill to future obligations only. Likewise the general belief in Minnesota in "home rule" in municipal affairs, and the suspicion with which any form of state supervision thereof is regarded, served to prevent favorable consideration of any proposal by which authority over bond issues could be placed in a central state body.

It is said that Minnesota has given more extended scope to the "home rule" principle in local government than has any other state in the Union. It certainly would be hard to conceive of any people guarding more jealously their "home rule" rights and notions than do those of this state. Unfortunately, what is oftentimes hailed as "home rule" is bloc rule or official rule and not popular rule.

The proposal finally decided upon for submission to the 1927 legislature went before that body with the joint endorsement of the League of Minnesota Municipalities and the Investment Bankers of Minnesota. (The complete text thereof appears in the League publication, *Minnesota Municipalities*, for December, 1926, page 594.) It was so drafted as to reduce interference with existing procedure, particularly in so-called "home rule" cities, to a minimum.

The bill was not in the form of an enabling act; it did not authorize the issue of any municipal obligations that were not otherwise authorized. The entire aim of the bill was to provide a definite procedure which should be general in application and as nearly uniform as practicable. On the other hand, it was not intended that passage of the bill should deprive any municipality of rights which it possessed under existing laws except to the extent that such laws were in conflict with the proposal.

By thus minimizing the interference of the bill with existing procedure, it was accorded a degree of favor in marked contrast to the opposition which similar proposals had received at the hands of former legislatures, and it passed in substantially the form in which it was presented (see Chap. 131, Laws of 1927).

COMPARISON WITH MODEL BOND LAW

A comparison of this Minnesota law with the Model Bond Law, recently made public by the National Municipal League, shows many marked differences, which may lead the superficial critic to conclude that the proponents of the Minnesota law failed to secure that measure of completeness and perfection which should be attainable in these days when information is so plentiful as to both sound and unsound procedure. To those who thus draw conclusions relative to the Minnesota law as contrasted with the Model Bond Law, it can be said that the Minnesota law did not attempt to lay out a complete bond procedure for the reason that there were existing laws that adequately and satisfactorily covered many phases of such procedure; it did not result in perfection for the reason that a theoretically perfect plan could not have been adopted. The proponents of the bill aimed to correct those provisions of existing law which were responsible for the greatest abuses in bond procedure. Local students of sound bond procedure are agreed that this objective was attained. It is also believed that the procedure which will be required in Minnesota when this law becomes effective (September 1, 1927) will differ from that required under the Model Bond Law less than would be assumed if one were to accept as correct a comparison appearing in the March issue of the NATIONAL MUNICIPAL REVIEW.

NEW PROCEDURE DEFINED

The procedure prescribed by the Minnesota law is approximately as follows:

1. *Certain Obligations Excepted from the Provisions of the Act as to the Issuance Thereof.*—All warrants or orders having no definite or fixed maturity and all bonds (a) issued by a county for road purposes to the extent that reimbursement will be made by the state, (b) authorized to be issued and sold to the state, (c) issued for improvements which are payable wholly or partly from special assessments, (d) issued for the creation or maintenance of a revolving fund, (e) issued for the construction or repair of wharves and docks, and (f) issued and maturing in less than one year are excepted from the provisions of the act as to the issuance thereof. (This exception does not, however, remove such obligations from the restrictions of existing statutes or charter provisions.)

2. *Net Debt Re-Defined.*—Net debt is defined as the amount remaining after deducting from the gross debt (the total of all outstanding obligations of every kind) (1) the sinking fund reserve for the retirement of those bonds which make up the net debt, (2) all outstanding bonds issued (a) for the acquisition, construction, maintenance, etc., of water works systems, lighting, heating or power systems, or combinations thereof, (b) for improvements payable wholly or partly from the proceeds of special assessments, (c) for the creation or maintenance of a revolving fund, and (3) warrants or orders having no definite or fixed maturity. An exception as to the application of such method of computing net debt is made of municipalities which by special law or home rule charter have another method prescribed. This exception is made necessary by the conditions of existing general laws relative to special charters and home rule charters. (This method of determining net debt will probably be judged adversely when compared with those laws which permit the deduction only of water bonds and sinking fund reserves. It has the merit, however, of a degree of definiteness which is entirely lacking in the Minnesota law of 1905, under which all present outstanding bonds have been issued. Such law provided for the deductions of all bonds for improvements from which an "income is or may be derived," also for the deduction of sinking fund reserves for bonds which were not to be included in a statement of net debt.)

3. *Limitations on Net Debt.*—A limit of 20 per cent of assessed valuation is

fixed for school districts, and of 10 per cent for all other municipalities, with the following exceptions:

(a) Cities of 50,000 or more inhabitants are limited to a net debt of 5 per cent of assessed valuation, exception being made of such cities as have a home rule charter fixing a higher limit, and

(b) All municipalities which by special law or home rule charter have a lower limit prescribed.

At the present time there is no fixed and definite limitation on the net debt of school districts.

4. *Serial Bonds Required.*—All obligations which become subject to the provisions of the act as to the issuance thereof are to be payable serially, the first installment thereof not more than three years after date of issue and the last thereof not more than thirty years from the date of issue. The last installment of funding or refunding bonds and of those issued for other purposes which are not specifically limited to thirty years, are payable in not more than twenty years from the date of issue. No installment shall be more than two and one-half (2½) times the amount of the smallest installment.

5. *Bond Authorization Subject to Referendum.*—No bonds which are subject to the provisions of the act as to the issuance thereof can be authorized without the approval of a majority of the electors of the municipality, except bonds to pay judgments or to refund maturing obligations or bonds which are to be issued by home rule cities the charters of which permit the issue of bonds without such vote.

6. *Tax To Be Levied To Retire Bonds, Prior to Issue.*—Prior to the issue of any bonds subject to the restrictions of the act, a tax shall be levied for each year covered by the issue in an amount five per cent (5 per cent) in excess of the amount to be paid thereon during each of said years, which tax, after the issue and delivery of the bonds, shall be irrepealable until all the indebtedness created is paid. Provision is made for the disposal of any excess produced by such levy or for an additional levy in case of deficiency in collection. The spreading and collection of such levy is made the duty of the county officials.

7. *Registration of Bonds and Certification of Registration.*—The county auditor is required to keep a register in which shall be entered a record of every issue subject to the provisions of the act. No such bonds can be delivered to the purchaser thereof until a certificate has been obtained to the effect that said bonds have been registered and that a tax has been levied for the retirement thereof.

Cities of over 50,000 inhabitants are excepted from the provisions relative to such certificate.

8. *Penalty for Failure To Carry Out the Provisions of the Act.*—Any officer of a municipality who knowingly fails to comply with the provisions of the act is declared to be guilty of a misdemeanor.

WILL CORRECT ABUSES

It is generally conceded in Minnesota that the procedure provided in the new law will correct some of the worst practices of Minnesota municipalities in the issuance of municipal obligations. The method of determination of "net debt," though probably not the most desirable, will eliminate some of the most unsound features of the procedure permitted by former laws; the requirement that certain standard and ordinary obligations shall be serial will encourage the issuance of all obligations as serial obligations; and the requirement that a tax shall be levied to care for the retirement of the bonds to which the act applies and for the payment of the interest thereon will prevent, at least in part, the practice which is all too common of failing to make annual and adequate provision to meet such obligations.

That the new law leaves much to be desired in future legislation must be conceded. There is no sound reason for excluding any general obligations from the requirements of a sound bond procedure as to issuance, redemption provisions, registration or any limitations that apply to other general obligations. (Exception may properly be made in case of obligations to be sold to the state or to be redeemed by the state, for obvious reasons.) There also is no good reason for continuing to use assessed value as the basis for determining net debt instead of full and true value, or for retaining the rather absurd methods of determining "net debt" by permitting deductions from "gross debt" of obligations which clearly must be retired by the process of general taxation. An ideal definition of "net debt" is one that specifies that such debt is that portion of the requirements for the retirement of existing "gross debt" which must be met in the future by the proceeds of general taxation. This definition is substantially in accord with the procedure for determination of "net debt" as contained in the Model Bond Law.

Comment has been made that the Minnesota law excepts from its provisions, to a great extent, cities operating under home rule charters. It appeared to be impossible to pass the law unless such exceptions were made, but such exceptions released such cities from only a part of the provisions of the act. It is believed that provisions which were not so excepted are ample justification for the adoption of the act, despite its various imperfections.

SOMETHING REMAINS TO BE DONE

As is generally true in case of remedial legislation, the Minnesota law is now being picked to pieces by its critics. It is being claimed that the law will not accomplish anticipated results, that certain defects in drafting render it unconstitutional, that superficial preliminary investigation resulted in the inclusion of a provision that will reduce the net debt limit for Minneapolis (the largest city in the state) from 10 per cent to 5 per cent of assessed valuation (the present debt is over 9 per cent of such valuation), and that the act is defective in certain other respects. Proponents of the law are of the opinion that all such objections and criticisms are without adequate foundation. A comment recently made in the NATIONAL MUNICIPAL REVIEW is, however, substantially correct: "It would seem possible to strengthen the Minnesota proposal in several points. Some definite procedure could be outlined to take care of present indebtedness; control of debt could probably be better administered in the state than in the county government."

It is too early to predict the attitude that will be taken by the League of Minnesota Municipalities before the next session of the state legislature. It is possible that the League will recommend further legislation relative to the issue of municipal obligations. It is more likely, however, that their activity will be confined to the promotion of legislation having for its purpose the supervision and control of accounting and budgeting.

BOSTON ELEVATED PROGRAM AWAITS FURTHER DIAGNOSIS

BY BERNARD WIESMAN

Boston Chamber of Commerce

Shall Boston continue public control of her elevated system, adopt public ownership or restore the properties to private management? As yet the legislature has matured no plans for her. :: :: :: ::

THE most vital issue before the Massachusetts legislature this year was generally considered that of the Boston Elevated Street Railway, operated since 1918 under a system of public control based on a minimum term of ten years.

The measure originally had been an emergency act to prevent the bankruptcy of the one great street transportation system in metropolitan Boston, which for the previous ten or fifteen years had been rapidly going on the rocks through the suicidal effort to pay regular dividends, finance service extensions and operate under the five-cent fare fixed by its charter of 1897. Under public control, the road has fared well. Service has been improved and the rolling stock renewed. Except for a deficit within the first two years, it has shown a profit even after the setting aside of an adequate depreciation fund. The fare is now ten cents based by statute on service at cost. Public control under the Act of 1918 continues until 1928 and thereafter unless or until the state gives two years' notice of termination of contract. The element of uncertainty is so strong because of the possibility of the two-year notice at any time from the legislature, that necessary financing cannot now be undertaken. It was felt this winter that the time had arrived for making a definite decision as to the future control of the Boston Elevated Street Railway Company.

Some were sanguine enough to expect a courageous solution which would guarantee expansion and development of the street car service in such a way as to stimulate the orderly growth of the metropolitan district. His Excellency, Alvan T. Fuller, plainly stated his desire for a careful program of progress when he referred to the problem in his inaugural address. The Division of Metropolitan Planning had prepared an extensive plan for the physical development and financial control after making a continuous study for the past two years. In addition, there were available reports of legislative committees and particularly the recommendation of the special committee of 1924 which had reported a bill in December of 1925.

In other words, the gentlemen of the legislature had a plentitude of plans when they began their deliberation. Other suggestions were forthcoming as the session advanced. But when the gavel of the speaker had been tucked away for the summer, the net result was some enlightening of public opinion and a few resolves calling for the judicial opinion of the supreme court on constitutional points and the evaluation of the property by the department of public utilities.

FURTHER DELAY LIKELY

It is needless to expatiate here on the vagaries of legislators who, in the words of His Excellency, "regulate the size of the pickerel and the number of hornpout and the season in which they may be caught, but this great and important question of good transportation is ignored." In fact, it was this very statement that contributed towards the failure of the General Court to pass a definite program. This particular reference in the speech by the governor added fuel to the acrimonious dispute between the chief executive and the leaders in both houses of the legislature. The piscatorial allusion rankled particularly deep in the forum of the sacred cod, but it affords no real explanation of the legislative debacle on the Elevated bill. Honest differences of opinion existed. Political and business contacts naturally split the legislature into at least three camps. The outstanding fact, however, was that a great number of members did not know which way to turn. The prophets were quarreling among themselves, and such up-state members as had no definite opinions of their own were sorely puzzled as to which leader to follow. If the Governor had possessed a working control over the legislature, the story would have been different. But as the season advanced, it became obvious that the far-reaching program originally prepared could pass only after it had been emasculated by compromise into a sugar-coated nostrum of no particular virtue. If such a bill had been passed, an executive veto was taken for granted. The members preferred to postpone action. Hence, the problem will come up anew in January of 1928, when perhaps the summer will have instilled courage and inspiration into the deliberative assembly on Beacon Hill. Undoubtedly it will require both for the passage of sound legislation in the face of the presidential campaign in 1928.

THE PLAN SUBMITTED

Roughly, four courses were open when the legislature convened. The most obvious course was to take no action towards the termination of the control act of 1918 and thereby leave to some succeeding legislature the eventual solution. The second course was that of public ownership for which eventuality provision was included in the original act. The third was exactly the antithesis of this,—reversion to private operation by rendering at once the two-year advance notice of the termination of the control act. The fourth was the execution of a contract for an extension of public control under terms more suitable for all concerned.

The Division of Metropolitan Planning, under the very able chairmanship of Henry I. Harriman, well fitted by training for the effective financing of public utilities, chose the fourth plan which would assure sound management and permit the necessary development of the elevated system and yet at the same time leave to the later day and age the difficult choice between the two extremes—complete public ownership or restoration of private control. Their plan would form and ease the way toward either as a final solution.

This plan was generally looked upon as the most constructive and satisfactory program. It faced the problem in a practical way and sought the method which would best serve the car rider while also protecting the stockholder and general public. It had the support of civic organizations such as the Boston Chamber of Commerce, and it was generally felt to be a plan acceptable to the stockholders of the Elevated.

The Planning Division sought to effect a million dollar annual saving by the establishment of a lower interest rate. In order to make this acceptable to the investing public, the Division urged the extension of public control and the guarantee of dividends by the commonwealth for a period of from forty to fifty years. They suggested a reduction in dividends in common stock from 6 per cent to 5 per cent, with a continued guarantee of the premium. To replace the present expensive preferred stock, the Division suggested the issuance either of a preferred non-voting limited stock in a new corporation of 4½ per cent guaranteed with a provision for a sinking fund formed out of the saving which would permit the retirement of the stock at the end of the period, or of a similar debenture which would be tax-exempt and would serve the same purpose. In other words, the preferred stock of the Elevated would be transferred from its present status at 6, 7, and 8 per cent to a guaranteed security at 4½ per cent which would virtually be a state bond. The savings permitted under this plan would amount to over $800,000 a year and savings from federal and state taxation brought the total saving up to about $1,000,000 a year. It was planned to set aside $250,000 annually for the retirement fund of the preferred stock while the remainder would be used first to pay off the deficit incurred in the first years of the public control act and after that for the payment of the Elevated's share of interest charges on rapid transit extensions. As the report explained, the guarantee would cost the state nothing because the car rider himself would supply the retirement fund, while the cost to the car rider would not be an additional charge because without the guarantee at least 5 per cent instead of 4½ per cent would have to be paid.

The Planning Division's bill became a basis of the bill reported by the joint committees on Metropolitan Affairs and Street Railways, after they had held extensive hearings. The Division's bill seemed strengthened by the reference of Governor Fuller in his inaugural address when he urged an extension of public control in which the stockholder would accept a lowered interest rate in return for the greater security of his investment. The bill of 1925 had also proposed an extension of public control with a lowered interest rate,—a term of thirty years with a reduction on common stock from 6 per cent to 5 per cent.

The bill, as in such plans, provided for the acceptance by the stockholders of the company and carefully specified that in the event of later acquisition by the commonwealth through its option or by eminent domain, the compensation to be paid should not be enhanced by reason of this legislation or supplementary contracts. This bill as reported to the senate by the joint committees, however, discarded much of the financial machinery proposed in the intricate measure of the Planning Division. It emerged as the first legislative compromise. Briefly, it provided for an extension of public control for twenty-five years with a dividend rate on common stock at 5½ per cent and the replacing of the present preferred stock (8, 7 and 6 per cent) at 130, 115 and 105 by a forty-year debenture at 4½ per cent. The dividend and interest charges were to be guaranteed by the commonwealth as under the present system but with a provision that the debenture issued should be amortized through a portion of the annual savings through the lowered rates. This bill effected the savings from the federal income tax and in the state franchise tax which had been suggested in the Harriman bill. The total saving was estimated at about $1,050,000 annually. This amount was to be used as under the Harriman plan, one-fourth for amortizing the debentures and three-fourths for re-paying the deficit and thereafter for paying the Elevated's share of the cost of rapid transit extensions.

OPPOSITION ARISES

This report bore the names of eleven of the thirty members of the committee as dissenters, and soon it became obvious that two decided minorities were to oppose the plan. A group of Democratic members were known to favor public ownership. When the joint committees reported the public control measure, the house chairman of the committee on street railways, Eliot Wadsworth, came out flat-footedly for a return to private control. Representative Wadsworth had been trained in railroad operation in the firm of Stone and Webster and held marked prestige in the house, although serving his first term, as a former assistant secretary of the treasury.

Wadsworth issued a public statement in collaboration with the senate chairman, Chamberlain of Springfield, and Senator Johnson of Worcester. He announced that he would lead a fight for the termination of the public control act by submitting the required two years' notice to the stockholders and by establishing a commission to arrange the details of the return.

At the hearings before senate ways and means, the alignment for private control constituted the chief opposition to the plan proposed by the joint committee. Hitherto a silent minority, the private control advocates demanded the termination of public control and the appointment of a special commission to study the arrangements for restoration to private operation which would be submitted to the legislature in the following year. In other words, the private control group offered no complete program. If the plan worked out by the special commission should fail to satisfy the legislature or the stockholders, confusion would result because of the irrevocable character of the notice. Wadsworth's plea, however, won marked attention and support. Business men as a group had maintained that extension of private control was the only sound solution for the present time, but that in principle and at later date private operation should be resumed. Many were now impressed by Wadsworth's statement for immediate return. The one big difficulty was the absence of any demand for such a return. Some persons indeed wondered what parties would be benefited by the bill, for neither the stockholder nor the car rider were known to desire it, and it seemed to be in the interest of neither.

But in a matter such as this, arguments were easily forthcoming. The existing act was denounced as a war emergency measure and the proposed return to private operation was heralded "pro bono publico." Private control exponents argued that the public control act was an unwarranted lien on the treasury of the commonwealth, and that everything would be serene once the stockholders were given responsibility for the operation of the road. As Mr. Wadsworth remarked, money would be available for financing new extensions because under private operation the dividends could be passed!

STRUGGLE IN BOTH HOUSES

Senate ways and means overturned the previous report and substituted Wadsworth's recommendation by a vote of four to one. As a parliamentary procedure, their action was open to objection on point of order. President Wells rallied his force, however, and chose to fight the bill on principle regardless of status. After a brilliant and thorough speech by Senator Gaspar G. Bacon of Boston, the original bill of the joint committee was substituted in turn but only after amendment for a term of fifteen years and at 5 per cent on the common stock. These two compromises seriously vitiated the value of the measure. On the final vote of twenty-six to ten in the senate, the public control bill was sent over to the house.

Another hearing on the amended bill was held by house ways and means. The advice here was for delay,—and the chairman of the public utilities commission, Henry C. Attwill, decried public hysteria and urged that it would do no harm to let the matter wait. This was directly in opposition to the expressed wish of the chief executive, but in Boston department heads have a faculty for disagreeing with the governor on matters of policy. The committee on ways and means seemed to have no positive ideas as to what should or could be enacted. Mr. Attwill's advice was not unwelcome.

By this time, several people remembered that the counsel for the Planning Division, the former speaker, B. Loring Young, had pointed out several difficult legal questions which he felt should be definitely decided by the Supreme Judicial Court before the measure was enacted. The committee on ways and means decided that upon these questions hinged not only the validity but the efficacy of the act.

Because the session was practically over and no one seemed eager to spend the summer waiting for an answer to these questions, the chairman of the committee, with two dissenting votes, reported "Next Annual Session" on the Boston Elevated control act. Mr. Shattuck, able, conscientious and conservative, had actively studied the problem of public control for three or four years, but he was not yet prepared to make final disposition of a one hundred million dollar corporation without receiving additional data. From his committee he also presented two resolves which requested the opinions of the justices of the Supreme Judicial Court on the constitutionality of the proposed public control act and an evaluation of the property of the company by the department of public utilities.

Meanwhile, the private control bill had been nursed by three members seldom seen in such a partnership,—Eliot Wadsworth, new member of business prestige and possible political promise; Martin Hays, veteran Republican whip with caustic capacity in debate who can garner votes without possessing actual leadership; and Martin Lomasney, vehement spokesman for the West End wards of Boston.

The fight on the floor was really between the minority for private control and the rest of the house. In the lengthy and heated debate, Hays, Lomasney and Wadsworth monopolized the attention of the house, but they were challenged by the accurate and vigorous logic of Shattuck, who made the most powerful argument of the day. He was seconded by Gilman of Boston, who was in charge of the original bill but who admitted the necessity of deferring until the supreme court had ruled on constitutionality. As a matter of fact, no one was very strenuously in favor of the mangled bill which was before the house. The supporters of the original plan felt that no satisfactory program for the welfare of car rider, general public and stockholder could be evolved from an eleventh hour compromise.

The question came on referring the public control bill to next annual session and thereby ending the possibility of further action this year. The private control group were against this action and were technically voting in favor of the bill in order to secure opportunity for the substitution of their measure. The voice vote showed a heavy predominance in favor of "Next Annual Session." The minority, valiant warriors that they might be in debate, failed to force a rising vote or a roll call. No explanation was forthcoming for their failure to do this especially in view of the support which they claimed to possess in the house. As a result, the outstanding bill of the legislative session of 1927 for the provision of transportation service for 1,500,000 people was shelved without the formality of a recorded vote.

So the bill rests quietly through the summer while the public utilities department studies the value of the property and the Honorable, the Justices of the Supreme Judicial Court, determine the correct answers to twenty-four questions of constitutionality, of which the fifth is, "Would the provisions of Senate No. 276, as amended, if further amended by the substitution therefor of said House No. 522 (original Metropolitan Planning Division bill) be constitutional in every particular, if enacted into law?"

The highly important rapid transit extension bill which the control bill was partly designed to finance, suffered a similar fate in the hands of the senate. The Supreme Judicial Court has several questions to answer on this bill also before the General Court again convenes to legislate for the common weal.

MUNICIPAL PENSIONS IN CHICAGO

BY GEORGE B. BUCK
New York City

Recommendations for the improvement of Chicago's pension system analyzed by a national authority. :: :: :: :: :: ::

Last summer, George C. Sikes, secretary of the Chicago Pension Commission, presented to the commission a report, at that time admittedly incomplete, outlining the history and containing a volume of data in regard to the Chicago and Cook county pension problems. From the viewpoint of the history of pensions in Chicago and the present status of the various funds, nine in number, the report is very illuminating. To anyone interested in a detailed history of the benefit and contribution provisions of the law, and financial aspects of the various funds, a study of the original report is recommended.

A later supplemental report, entitled "Suggestions Regarding the Organization and Management of Chicago Pension Funds," contains the conclusions based upon the data in the original report. In this report, Mr. Sikes summarizes his recommendations as follows:

> 1. The reserves of actuarial reserve pension funds should be kept absolutely sacred for their purpose, and distinct from other funds, and not be drawn upon by loan or otherwise.
>
> 2. The Public Library Pension Fund and the House of Correction Pension Fund ought to be abolished and their members transferred to the Municipal Employees' Pension Fund. At the least, it should be provided by law that all those hereafter entering the service of the Public Library or the House of Correction should become members of the Municipal Employees' Pension Fund, so that ultimately the Public Library Pension

Fund and the House of Correction Pension Fund would disappear.

3. Administrative boards as a rule are nuisances, and should be dispensed with wherever possible and single-headed departments set up in place of them. Most of the work of pension administration is of such a nature that it could be performed better by a single-headed department than by a board. The recommendation is that the work of pension administration—with exceptions hereafter noted—now vested in the Police Pension Board, the Municipal Employees' Pension Board, the Firemen's Pension Board, the Public Library Pension Board, and the House of Correction Pension Board, be transferred to a single-headed department of pensions, or to a division of pensions in the office of the city comptroller. The exceptions are: (1) that the duty of purchasing securities, now vested in the various pension boards, be transferred to the city comptroller; (2) that the power now vested in the pension boards to make awards of duty disability benefit and compensation annuity be transferred to the existing board for administering the Policemen's and Firemen's Death Benefit Fund, said board to be reorganized for the purpose of its new duties. The money for the payment of awards of duty disability benefit and compensation annuity should be appropriated annually by the city council instead of being taken from the revenues produced by the tax levy for pension purposes. The duty of making awards of child's annuity and ordinary disability benefit might be left with the pension fund administering agency, the main function of which is to grant pensions or annuities to employees, or to widows of employees, provided the money supplied by the public for child's annuities and ordinary disability benefits be appropriated annually by the city council and be kept entirely distinct from the reserve funds for pension and annuity purposes. The *funds* of the various pension boards as now existing should be kept separate, but the administration of the funds named should be brought together in a single office or suite of offices, under a single directing head.

4. Money supplied by the public for expense of administration of pension funds should be appropriated annually by the city council. Pension fund administration should be subject to inspection and supervision by the city council, its finance committee, and the efficiency staff of the finance committee, like the work of other departments for which the council appropriates.

5. There should be an official advisory board made up of aldermen and citizens appointed by the mayor, and of members elected by contributors and beneficiaries. There would be no objection to giving representatives of employees and beneficiaries a majority of this advisory board. It should be the duty of this board to keep close scrutiny over the administration of pension funds, and to consider continuously the need for changes in pension laws suggested by experience.

6. There should be some official agency composed in part at least of pension experts, entirely representative of public interests, to examine all pension proposals presented to the legislature, and to advise the legislature, the governor and the public with respect to the merit or lack of merit of the proposals.

7. The purchase of securities for pension fund investments should be delegated to the city comptroller.

8. Provision should be made by law for thorough inspection biennially of public pension funds by the state insurance department. In addition the Chicago city council should be specifically authorized to provide for inspection at any time of any pension fund directly or indirectly connected with the city government. The agency making the inspection should be given the power to compel the attendance of witnesses, the production of books and papers, and the giving of testimony.

9. If we cannot secure pension fund administration by a single-headed department, but must continue to have board management, appointees of the mayor should constitute a majority of every board administering pension funds for city employees. There should be no ex-officio members of such board or boards, unless the ex-officio member be the head of the department to which the employees belong, such as the fire commissioner for the Firemen's Pension Fund or the superintendent of police, for the Police Pension Fund.

FEW BENEFITS ON A RESERVE BASIS

The author's first recommendation, namely that "the reserves of actuarial reserve pension funds should be kept absolutely sacred for their purpose . . ." arises out of the fact that even in the five funds which are supposed to be on an actuarial reserve basis certain benefits are still being paid from current receipts and reserves for these benefits are not being accumulated. For example, the Police Pension Fund has six distinct benefits: (1) annuities for policemen, (2) annuities for widows, (3) annuities for children, (4) ordinary disability benefit (5) duty disability benefit, (6) compensation annuity for widows of policemen killed in the performance of duty. Of these the first two only are on a reserve basis. Mr. Sikes contends, and apparently he is right in his contention, that funds covering reserves on these benefits should be kept for that distinct purpose and not used even as a loan to pay any of the other benefits which are not on a reserve basis. It seems that he might have gone further and recommended definitely putting the other benefits on an actuarial reserve basis. His whole argument implies that he would favor this and it probably is not necessary for him to set this down as a definite recommendation.

The question as to whether the two funds mentioned in Mr. Sikes' second recommendation should or should not be abolished is purely a local problem. It is fair to assume that any reorganization of an existing pension fund will take into consideration the fact that the members of that fund have been counting on certain definite benefits under the existing laws, and the reorganization should, therefore, be of such a nature as to have the least effect on present members consistent with sound financing. The same considerations do not apply as respects new entrants and may be neglected if a majority of the present members express a preference for the suggested plan of reorganization over the plan under which the fund had up to that time been operating.

BOARD CONTROL

An examination of Mr. Sikes' third recommendation will show that it is really two recommendations in one: first, a recommendation to abolish control of pension funds by administrative boards, and second, a recommendation to consolidate the administration of all the systems under one head. The majority of pension systems, industrial as well as public, make provision for administration by a board of some sort. Mr. Sikes' proposal to do away with board control and substitute a single-headed departmental control is, therefore, probably somewhat influenced by local conditions. However, from the purely theoretical standpoint, such a method would seem to be equally efficient and one which might be an improvement in Chicago. If, as Mr. Sikes assumes, all questions concerned with the operation of the pension system were definitely provided for in the law creating the system, and if it were always a simple matter to decide whether or not a given case came under the provisions of the law, and, moreover, if it were possible to convince the members of the retirement system that they as individuals would get as reasonable treatment through a single-headed department as through a board-controlled department, it is not unreasonable to assume that the boards could be dispensed with to advantage. Experience seems to indicate, however, that matters do arise which require the exercise of discretion, and members seem to feel that they will receive more equitable treatment from a board on which they are represented than from a single-headed department. It is therefore by no means a foregone conclusion that as applied to pension systems "administrative boards are as a rule nuisances."

As far as consolidating the various funds under one central administering body is concerned, the idea, if practicable, seems good. There is no doubt but that certain general types of problems are common to all systems and there is a serious question whether within a city or a single organization there is not an advantage from centralized control. The question in Chicago is one which must be answered in the light of existing conditions, but theoretically, at least, the recommendation would seem to be a step in the right direction.

All the other recommendations deal with provisions for safeguarding the stability of the pension funds and particularly the safeguarding of the public's interest in the handling of pension problems. They are sound recommendations which cannot help but be of assistance in the future.

The whole report indicates a great deal of thought on the questions raised. There is bound to be some controversy over specific points considered, but, on the whole, the adoption of the author's recommendations could not but help to put Chicago's pension problems on a more scientific and equitable basis. Perhaps before the commission completes its work it will outline a retirement policy for the city which will be sufficiently simple for an interested taxpayer to understand, and which will show what the systems are costing now and what they may be expected to cost in the future. For example, Mr. Sikes states in his detailed report that the police fund costs the city annually a contribution equal to 10½ per cent of the active pay roll to cover the city's share of the liability for two of the six benefits promised, and in addition the taxpayers are to pay the entire cost of the other four benefits. There is no reason why the cost of the other benefits should not be computed as a percentage of the pay roll both as to the regular accruing cost and also as to the accrued liabilities, that is, for the cost of the credit for service prior to the establishment of the system. When figures of this nature are available for all of the funds, the seriousness of the problem will be a little more apparent. The very process of reducing the cost to definite figures tends to clarify the situation and usually aids in the ultimate satisfactory adjustment of the problems which Chicago appears to be facing at the present time. Before any legislation is passed tending to change the funds, it would appear that the city should first develop its policy as to retirement benefits, acquaint itself with its present and prospective obligations, and then propose a definite program which will protect both the taxpayers and the participants in the fund or funds.

INTERSTATE COMMERCE COMMISSION ADOPTS ACTUAL INVESTMENT AT COST BASIS

BY JOHN BAUER

American Public Utilities Bureau

The question of actual investment versus reproduction cost will now be squarely presented to the Supreme Court, with I. C. C. favoring the former. :: :: :: :: :: :: :: :: ::

In the last number of the Review the writer summarized in the Public Utilities Department the Interstate Commerce Commission's decision in the St. Louis & O'Fallon Railway case and merely pointed out its great significance. The purpose of this article is to present the issues more completely and to show their bearing upon the entire problem of effective and desirable rate regulation for railroads and other public utilities.

Let us repeat briefly that the particular case concerned the recapture of excessive earnings under the 1920 Transportation Act. The point of dispute was the valuation upon which the excessive earnings were to be computed. Disregarding minor technical points, the fundamental issue was whether the recapture of excessive earnings, or railway rate-making in general, must be based upon the reproduction cost of the properties as claimed by the company, or upon the commission's valuations as made under the 1913 Valuation Act at 1914 prices and as modified by subsequent additions and retirements and further accrued depreciation. The latter basis, except as the initial valuations may have been greater, is roughly equivalent to actual investment.

The issue thus raised between investment and reproduction cost as the basis of rate-making and recapture will doubtless be carried to the supreme court of the United States for final decision. It will be easily the most important question decided by that court in a generation. It involves not only over $10,000,000,000 of immediate "value" for the railroads, but will determine whether regulation can be placed upon a workable and financially sound basis—or whether it must continue with present confusion and deadlock. It applies to all public utilities as well as to railroads. Its principal underlying points are, therefore, of profound public importance.

DUTIES UNDER THE STATUTE

The commission based its decision upon its broad duties under the Interstate Commerce Act as amended by the 1913 Valuation Act and the 1920 Transportation Act. It considered particularly the purposes of the statute to fix a national system of rates as prescribed, to provide for recapture of excessive earnings of individual companies, and to meet "the transportation needs of the country and the necessity . . . of enlarging such facilities in order to provide the people of the United States with adequate transportation."[1] The entire plan of the statute is based upon "regulation and control in the interest of the commerce of the United States considered as a whole."[2]

The commission decided upon the

[1] Interstate Commerce Act, Sec. 15a, par. (3).

[2] *Ibid.*, (5).

investment basis of valuation as described because this is essential to carry out the purposes of the statute. It rejected the reproduction cost basis, because that would have defeated the ends of the statute. Upon this broad issue, the matter will doubtless be decided by the highest court of the land. Why, therefore, investment and not reproduction cost? Because of administrative requirements and financial necessities. Let us briefly consider these matters.

ADMINISTRATIVE REQUIREMENTS

On the administrative side, the investment basis is essential to carry out the purposes of the law. If the initial valuations under the 1913 Valuation Act are employed in all instances subject to modifications according to exact "continuation" reports as to additions and retirements and subsequent depreciation, there is never any difficulty in determining promptly and without dispute the amount for each year upon which a company is entitled to a return. The aggregate "fair value" for a territory can be readily determined, and rates can be fixed at a general level so as to give a fair return upon the aggregate value. The "fair value" for each individual company would likewise be fixed as a definite sum to measure any excess earnings payable to the government under the statute. Unless such a definite policy and machinery are employed, based upon accounting records after the valuations under the 1913 Act, the purposes of providing a fair return on the aggregate properties and recapturing the excess earnings of individual companies would be largely nullified. Upon the reproduction cost basis, fixing rates and carrying out the recapture would require repeated valuations and would maintain constant conflict of interest between the carriers and the public. The administration would become an almost hopeless undertaking with the large number of properties operated under constantly changing conditions.

STANDARDS OF FINANCIAL STABILITY

The commission considers the necessity of maintaining constant financial stability in the field of transportation as its major task of regulation under the law. While it must be fair to railway investors, it must assure a regular flow of new capital as needed and must, therefore, fix such a regular return as to attract continuously the necessary capital "in the interest of the commerce of the United States considered as a whole." It must employ such methods of regulation both for rate-making and recapture, or other purposes, as to establish and preserve the financial stability of the railroads and to provide for adequate new facilities to meet the transportation needs of the country at large.

With this objective clearly presented, the commission's basis of valuation would provide regularly and systematically for the return not only upon the property included in its initial valuation, but also upon all new capital invested subsequently and that thereafter needed for further transportation developments. It would safeguard the return expected by investors and thus assure definitely the necessary flow of capital for all future railway requirements. It would provide for full financial stability as to the returns to be realized against any changes which may be reasonably expected in the future. But if the reproduction cost basis were used, or if the "fair value" were predicated largely upon reproduction cost, this would not only involve the gravest administrative difficulties, but would result in gross financial instability, would ultimately defeat the purpose of regularly providing for the necessary enlargement of transportation facilities, and would destroy the general statutory plan of fixing regional rates and recapturing excessive earnings of individual companies.

RISING AND FALLING PRICES

To make clear the financial instability involved in the reproduction cost basis, the commission pictures first what would happen during a period of rising and high prices when the reproduction cost would be much greater than the investment fixed under its accepted procedure. It sets forth the dominant fact that on the average two-thirds of all railroad capital has been supplied by bonds and preferred stock which receive definite and limited returns fixed by contract, while only one-third has been furnished by common stock which is subject to variable dividends according to the returns realized. This is the normal financial structure of the companies. During a period of rising prices, therefore, as the reproduction cost exceeds more and more the actual investment in the properties, the return paid as interest and preferred dividends would remain nevertheless as fixed by contract, while the returns available for the common stock would increase three times as fast as the rise in prices expressed by the reproduction cost. This would result in pyramided profits to common stockholders, all out of proportion to the change in price level, and would inevitably inject speculation into the railroad business and promote over-development of transportation. This obviously would not be "in the interest of the commerce of the United States considered as a whole."

In the case of future falling prices, however, the commission shows the impossibility of keeping to reproduction cost and at the same time carrying out the purposes of the law to provide adequate transportation for the country at large. As the reproduction cost falls below the actual investment in the properties, the interest and preferred dividends would still remain fixed and would take up a greater and greater proportion of the total return allowed to a company. The money return to the common stock would thus diminish three times as fast as the fall in prices and the decline in the reproduction cost. A decline of 33⅓ per cent below the investment level would leave no return for the common stock, and a further decline would bring insolvency. The result would be financial disaster and disorganization of transportation. Credit would be destroyed and the flow of new capital for needed transportation developments would be stopped.

Because of the utter chaos that would be created the commission believes that during a period of low prices the reproduction cost would prove wholly unworkable and destructive, and would have to be abandoned: the investment basis would have to be adopted. The country at large could not be subjected to the financial confusion which would fall not only upon the railroads but upon business as a whole. The policy would inevitably collapse notwithstanding the unwarranted profits it brought to the common stock during a period of high prices. If, therefore, reproduction cost cannot be maintained with falling and low prices, why not adopt now actual investment as modified by the commission's initial valuations under the 1913 Act? This would at all times provide the return expected by the investors, would safeguard the financial stability of the companies and would assure the necessary new capital for railway improvements during falling as well as rising prices or other changing conditions.

A CONCRETE ILLUSTRATION

The financial unsoundness and administrative difficulties of the reproduction cost basis may well be illustrated by a case with which the writer has been identified during the past three years. A well-known railroad company has been seeking an increase in commutation rates based upon a reproduction cost valuation. This property was valued by the Interstate Commerce Commission as of 1916 at $93,000,000, when the total book cost without any deduction for depreciation was only $81,000,000. At valuation date, therefore, a substantial amount had plainly been allowed above the net actual investment. Between 1916 and 1925 about $30,000,000 additional were invested in improvements. The total book cost as of 1925, the date of the submitted new valuation, was $111,000,000. The securities then outstanding were $61,000,000 bonds and $34,000,000 common stock; total $95,000,000. This sum probably exceeds the net actual investment.

The company claims a reproduction cost new valuation of $265,000,000, without any deduction for depreciation. What the proper reproduction cost less depreciation may be, is to be decided and the "fair value" is to be determined by two local state commissions sitting jointly. Let us assume, however, that reproduction cost less depreciation is accepted as the base and that $150,000,000 is the proper figure. The company claims also that $57,000,000 additional investment will be required for improvements for the next five years to be financed by bond issues. If this is added to the $150,000,000 assumed present value, the rate base in 1931 would be $207,000,000 represented by $34,000,000 capital stock and $118,000,000 bonds ($61,000,000 at present, plus $57,000,000 new financing).

Assume then for 1931 a 6 per cent return on the total "value" of $207,000,000 and figure the $118,000,000 bonds at 5 per cent interest. The total return would thus be $12,420,000 and the interest $5,900,000. This would leave $6,520,000 upon the $34,000,000 capital stock, or nearly 20 per cent, which, of course, would be preposterous and could not be justified upon any grounds of justice or any theory of economic adjustment for the change in the purchasing power of the dollar. It would be an unwarranted return upon the stock; it would be financially unsound and would certainly invite political attack.

INSOLVENCY OR STABILITY

But look beyond and consider then a period of falling prices. Assume that cost of reproduction less depreciation has decreased by 50 per cent giving then $104,000,000 instead of $207,000,000 as the "fair value." Now the total return at 6 per cent would be only $6,240,000, of which $5,900,000 would still be required for interest on bonds and only $340,000 or 1 per cent would be available for the capital stock. This would bring the company to the verge of insolvency and would leave its credit impaired during the continuance of the low price level. It would be unjust to the stockholders and would block all desirable railway developments.

No such absurd and disastrous results would follow the Interstate Commerce Commission's policy. The 1916 valuation was intended to deal fairly, and it did deal liberally with the company. In this case it was especially favorable because of the large amounts of metropolitan land values which were placed at $33,000,000 although the actual cost to the railroad apparently had not exceeded $15,000,000. On the basis of the initial valuation, plus the additions between 1916 and 1925, less the further accrued depreciation, would give as of 1925 approximately $115,000,000. A return at 6 per cent would be $6,900,000. Subtract 5 per cent on $61,000,000 bonds and there would be left $3,850,000 or 11 per cent on the $34,000,000 capital stock. This is sufficient to provide for the stockholders an adjustment for the reduced value of the present dollar. But it would also safeguard the stockholders against future decline in prices and would assure the full financial stability of the company against all fluctuations of costs and prices. Moreover, it would hereafter enable the Interstate Commerce Commission or the local commissions to deal promptly and definitely with any needed adjustment in rates. There would be no further valuations and no drawn-out litigation. The case here presented as an illustration has lasted three years and may take another. Hereafter three days would be sufficient to reach a decision if the commission's policy is approved and followed.

RAILROAD VALUATION DIFFERENTIATED

The commission differentiates rather sharply the railroad valuation problem with which it is concerned from the general problem as it relates to local utilities subject to state and municipal regulation. Its differentiation is based upon the valuations made and records kept under the 1913 Valuation Act and upon the plan of regulation established by congress with the purpose of providing systematically for all transportation needs in the interest of the public at large. In ordinary utilities no such direct legislative policies have been formulated nor have appropriate methods been directly created for that purpose. The two must, therefore, be considered separately so far as the immediate valuation problem is concerned. The national railroad policy as fixed by congress will be the subject for consideration by the supreme court. The whole policy would be largely frustrated if the supreme court should insist upon reproduction cost as the basis of "fair value" in administering the law.

If, however, the commission is sustained by the supreme court, the decision will have a much wider effect than carrying out the expressed purposes of existing railroad regulation. It would also point the way to the various states and municipalities to create order out of the chaos of present regulation of other utilities. The writer has urged for years that the rational course is to provide definitely through legislation for a complete system of regulation that can be readily administered and is financially sound and fair to investors.[1] Such a system would largely parallel the policies and methods adopted by the commission in the present case. It would start with an initial valuation of all the properties, fixed reasonably and fairly under all the circumstances, and then would build upon these valuations by adding subsequent additions, deducting retirements, and making adjustments for further accruing depreciation. After the initial valuation there would then be a definite rate base not subject to dispute. Rates would be based systematically upon the cost of service, and would be fixed according to facts as shown by the accounts. The rights of the investors and the public would be precisely stated and accurately maintained.

Such a system of regulation, just as contemplated by the commission in this case, would safeguard the returns expected by investors and would thus assure the flow of new capital into the utilities as economically needed. It would provide financial stability through all changes of price level. It would prevent speculation during an upward movement and would avoid financial disruption downward. It would place upon the public the actual cost of service, but would prevent excessive charges for service under all circumstances. It would provide for the regular development of the industries with equal regard to investors and consumers.

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[1] *Effective Regulation of Public Utilities* by John Bauer, the Macmillan Company, 1925.

Such a system will be attainable through direct legislative action if the Interstate Commerce Commission is sustained by the supreme court in the St. Louis & O'Fallon case. It will be unattainable if public policy is crushed because of past vagaries uttered on "fair value" and reproduction cost. The importance of the case can hardly be exaggerated. There could be no clearer joining of issues, nor a better setting for a proper decision. Here is the unique occasion for the mobilization of all intelligent public opinion in support of effective regulation.[1]

[1] There were four dissenting Commissioners in the St. Louis & O'Fallon case: Commissioners Hall, Aitchison, Woodlock, and Taylor. They differ with the majority on legal grounds. They believe that the supreme court decisions on "fair value" precludes the course adopted by the majority. Commissioner Aitchison agrees with the majority as to policy. Commissioner Woodlock disagrees also on economic grounds. He conceives "fair value" in terms of the changing purchasing power of the dollar; but he apparently disregards the fact that on the average two-thirds of the investment is nevertheless definitely tied down to the dollar notwithstanding its change in purchasing power; that, therefore, the other third is subject to a three fold fluctuation in dollar income, upward or downward, with the changing price levels if reproduction cost is used. He is dominated by the one economic conception and, therefore, ignores the disastrous economic consequences that would follow because of the prevailing financial structure of the railroads. This is the crux of the problem and must be presented fully to the supreme court. This is much more than just immediate fairness to investors or users of transportation.

THE LESSONS OF THE COLORADO RIVER COMPACT[1]

BY EDWARD S. CORWIN
Princeton University

Will interstate compacts concluded under the compact clause of the United States Constitution provide the political authority needful to control the interests of large regions? :: :: :: :: ::

The Colorado River Basin comprises some 262,500 square miles—one-fifth more than the total area of France. This region is divided into two great basins, the upper and the lower. The former, which embraces areas in the four states of Colorado, New Mexico, Utah, and Washington, furnishes 85 per cent of the flow of the river, and contains millions of irrigable acres. The latter, which lies chiefly in the states of Arizona, California, and Nevada, supplies only 15 per cent of the water of the river, but has extensive possibilities for the use of water for domestic, agricultural, and power purposes. The basins are connected by hundreds of miles of barren canyon containing numerous power sites. The importance of the Colorado as a source of power is indicated by the fact that the difference in elevation between its source and mouth is 8,000 feet, or 13 times the drop of the St. Lawrence from source to mouth. Also, the people of the Imperial Valley of California have for years been waging a losing fight against the seasonal floods which the river's uneven flow, varying from 3 per cent in December to 24.7 per cent in June, constantly precipitate upon that region.

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[1] A review of the Colorado River Compact by Reuel Leslie Olson, A.M., J.D., Ph.D., published by the author, Los Angeles, 1926.

DIFFICULTIES POLITICAL AND LEGAL

Such are some of the physical elements of the problem of the Colorado River, as Mr. Olson lists them. There are also "political issues" involved. With the development of a river of vital interest to seven states, a tussle of local selfishness is inevitable. Then there is the tension between the claims of states' rights and national power and that between private ownership and governmental control, from whatever source proceeding. Lastly, there is an international issue involved, for Mexico too looks to the Colorado River for water supply.

But the legal, including constitutional, difficulties attending a solution of the problem are even greater. It ought to be understood by the reader that the common law doctrine of riparian rights which safeguards the interests of the owner down stream does not obtain in the western states. There it is superseded by the rule of "first come, first served." Under this "rule of priority," as it is called, the first taker of water from a stream for a "beneficial use" secures a right to have this use served indefinitely, and all subsequent takers take subject to this prior claim. Quite recently, in the case of Wyoming *v.* Colorado, 259 U. S. 419 (1922), the Supreme Court of the United States has sanctioned the rule as the one to be followed as between takers in two different states both of which follow the rule. "The doctrine so announced," it has been said in criticism, "leaves the western states to a rivalry and contest of speed for future development. The upper state has but one alternative, that of using every means to retard development in the lower state until users in the upper state have reached their maximum" (p. 87). On the other hand is the fact made evident by the geographical data given by Mr. Olson, that "storage and diversion in one state, for the benefit of another, is a necessary part of a comprehensive and practical scheme for the development of the Colorado" (p. 92).

NATIONALISM VERSUS STATES' RIGHTS

Obviously the situation calls for the intervention of a political authority that is capable of doing equity to all the interests involved. Whence is this to be forthcoming?

Anterior to the negotiation of the Colorado River Compact, in 1922, in pursuance of enabling legislation by congress and the seven state legislatures the previous year, two schools had held the floor—nationalistic and states' rights. The former, relying on the commerce clause, urged the inability of the states to adopt any measures for the conservation of the waters of the Colorado or for power development which would interfere with navigation on that stream. (The Colorado, it seems, *is* navigable for some 465 miles from its mouth, at all seasons, and for some 600 miles in summer time.) Also, this school urged the right of the national government to take such measures, at least as to waters flowing through the public lands, on the ground of proprietorship. Lastly, they pointed to the Flood Control Act of March 1, 1917, as illustrative of what the national government could validly accomplish under its power of expenditure merely.

The states' rights school, on the contrary, denied that, in the absence of inhibiting congressional positive legislation, state development projects would be considered by the supreme court to be unallowable obstacles to navigation, relying on Chief Justice Marshall's opinion in Wilson *v.* Black Bird Creek Marsh Co., 2 Pet. 245, and ensuing cases. They further challenged the power of the national government to control the disposal of waters running through the public lands. This power, they argued, was not a function of ownership but a prerogative of sovereignty, which passed to the states upon their admission into the Union on a basis of equality with other states. This is the so-called "Colorado Doctrine."

The appearance of the Colorado River Compact was hailed with great éclat in various quarters. Charles Warren in his little volume, *The Supreme Court and Sovereign States,* as well as Professors Frankfurter and Landis in their well-known article in the *Yale Law Journal* (Vol. 34, pp. 685–758, May, 1925) were confident that the way had at last been found for the solution of numerous interesting questions for which national power was inadequate, and that without further dangerous centralization of power at Washington. Even earlier, George D. Ayers in a report to the American Bar Association at Saratoga, in August, 1917, had outlined an entirely new theory of the nature of the Union on the basis of the compact clause. He suggested (Olson, pp. 68–9 and footnotes) that whereas the people of the United States were organized nationally in the national government, under the compact clause they were organized federally. The latter was the "indirect national arm," the former its "direct arm"; and all things to which the latter was inadequate could be taken charge of under the former.

Subsequent developments have gone far to disappoint these soaring aspirations for a regionalized United States of America. The Colorado River Compact has never been ratified by Arizona, while California has virtually receded from her earlier ratification. The compact clause can undoubtedly be utilized to good effect in those situations in which the national government is in position to force action under it as the alternative to direct national control. As a means of solving problems created by an untethered state selfishness it is probably of very limited value.

Mr. Olson has compiled a useful and instructive book. Of its 500-odd pages, about 300 are appendices. But aside from a few pages devoted to the celebration of Mr. Hoover and other far western worthies (the book was published in Los Angeles), most of them are instructive, too.

ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

IV. OUR CITIES.—WHAT OUR CITIES CAN AFFORD TO SPEND

BY LENT D. UPSON

Director, Detroit Bureau of Governmental Research, Inc.

The increase in per capita income since 1915 has almost kept pace with the increase in per capita cost of municipal government, although governments are performing old services better and undertaking many new ones. :: :: :: :: :: :: :: :: ::

FIRST, what do we spend? Vastly more by cities than when there were no telephones, autos and trucks, germ theories of disease, psychopathic clinics, aviation fields, sewage disposal plants, safety engineers, platoon schools, and twelve-inch streets.

Take Detroit, for example. In the decade from 1900 to 1910, while the city's population nearly doubled, tax collections doubled, as did the debt. In the decade following, population doubled again, taxes were multiplied by five, and the debt quadrupled. In 1914, that typical year before the war, when a dollar commanded the respect of both buyer and seller, the city government (including schools and library) extracted a per capita property tax of $17.25, and owed a per capita debt of $25.48. At the middle of 1926, in much depreciated dollars, this same city was collecting an average tax of $54.04 for each citizen and owed an average of $146.82 for its public debt. Thus, in twelve years, per capita taxes tripled, while per capita debt multiplied six times.

But Detroit may be considered atypical because of its unusual growth in population and area. Examine, then, ten other large American cities with respect to per capita governmental costs and debt, 1915 compared with 1925, as reported by the bureau of the census. See table on opposite page.

GROWTH IN TAXES AND DEBT

Nor are these increases limited to large cities. Take the average of the 146 cities of over 30,000 population for which data are available. The per capita receipts, expenditures, and debt reported in "Financial Statistics of Cities" are as follows:

Year	Net Revenue Receipts	Governmental Cost Payments	Net Debt
1903..	$21.14	$16.41	$44.71
1915..	30.00	23.93	77.86
1925..	61.90	47.87	119.45

These figures indicate a nearly twofold increase in expenditures during twenty years, and an increase in debt not far behind. The increase in debt

ED. NOTE.—Earlier articles in this series have paid attention to expenditures in nation, state and county. We now begin to discuss municipal expenditures in detail. Later articles will consider what we spend for public safety, health, public works and public welfare. It is appropriate that that part of the series dealing specifically with city activities should be introduced by a consideration of what is available to pay municipal taxes.

	Governmental Cost Payments			Net Debt		
	1915	1925	Per Cent Increase	1915	1925	Per Cent Increase
New York City	$43.92	$65.75	49.8	$172.82	$212.76	23.2
Chicago	33.54	46.13	37.5	27.49	58.96	114.5
Philadelphia	28.09	47.19	68.1	61.44	151.65	180.0
Detroit	38.13	64.06	67.9	33.65	144.91	331.0
Cleveland	40.89	53.04	29.7	89.26	141.64	58.6
St. Louis	31.19	38.69	24.1	29.72	28.14	−5.3
Boston	47.04	72.16	53.3	113.10	120.31	6.3
Baltimore	38.28	40.35	5.4	102.86	127.27	23.8
Pittsburgh	39.18	57.08	45.7	91.93	138.68	51.0
San Francisco	53.88	49.35	−8.4	94.27	137.47	45.9
Buffalo	37.97	58.91	55.3	71.54	109.92	53.5

is further evidenced by the sale of state and municipal bonds which has been reported by the *Bond Buyer* as follows in millions of dollars:

1926	$1,360	1921	$1,383
1925	1,404	1920	773
1924	1,446	1919	770
1923	1,135	1918	262
1922	1,279	1917	444

THE COST TO THE HOMEOWNER

All the foregoing figures, however, are in totals and averages and have no definite meaning to the individual taxpayer. This contributor to the cost of public activities is concerned with costs as they affect the small homeowner—not downtown business and industry. To determine how far the average homeowner is affected by this increasing number and expense of municipal activities, an examination was made of the records of the board of assessors of Detroit to determine the ten-year change in assessment and taxation, for a number of specific typical homes. A typical and average Detroit home in 1917–1918 was assessed at $3,340, which, at a tax rate of $13.81 per $1,000 for educational and other municipal purposes, was taxed $46.12. By 1921–1922 this same typical and average property was assessed at $4,000, with a tax rate of $21.67 per $1,000, or a total tax of $86.69. By 1926–1927 the assessment had grown to $5,000, with a tax rate of $22.57, making a total taxation for local purposes of $112.83. In other words, the average typical taxpayer—that homeowner whose name is legion and to whom the politician is assumed assiduously to bend his ear—now pays $112 for governmental protection and services, and which ten years ago cost him some $46. The details of these costs are as follows. See table on page 464.

The citizen in Detroit, and in any large city for that matter, who is aggrieved because of increased taxes must look to the larger public services for redress, if any—education, public construction, police, and debt.

THE EFFECT OF THE DEPRECIATING DOLLAR

Comparisons of the actual burden to the taxpayer, however, require that consideration be given to the fluctuating value of the dollar during the period for which the comparisons are made. There are no indices that accurately reflect the purchasing power of the dollar in units of government. To be sure, municipalities purchase the things that are ordinarily bought by indivi-

	1926–1927	1921–1922	1917–1918
Public schools	$33.54	$26.70	$12.46
Road construction	12.39	9.93	4.12
Police	12.35	9.88	6.28
Public debt	10.61	7.12	1.65
Fire	8.72	8.08	5.15
Street openings	4.58	.16	1.95
Cleaning streets and alleys	3.98	4.23	3.22
Welfare	3.87	3.21	.95
General administration	3.87	1.98	.84
Public health	3.35	3.27	1.44
Parks and boulevards	2.73	2.25	1.28
Garbage collection and disposal	2.03	1.36	.62
Public sewers	1.78	.34	.36
Library	1.48	1.32	.82
Public lighting	1.40	2.65	2.35
Recreation	.95	.79	.59
Safety engineering	....	.10	.20
Miscellaneous	5.20	3.32	1.84
Total	$112.83	$86.69	$46.12
Assessed valuation of home	$5,000	$4,000	$3,340
Tax rate	$22.57	$21.67	$13.81

duals, but usually at wholesale rather than retail prices. However, a considerable portion of every city's budget is devoted to payroll, and it is questionable whether the compensation of public employees, aside from skilled labor, has increased as fast and as much as has the cost of commodities. If this condition actually exists, then the wholesale commodity index is somewhat inapplicable and the purchasing power of the public dollar is higher than that so expressed. However, accepting the wholesale commodity index as being as nearly accurate as any available, we find that beginning with 1913, which dollar is usually used as a basis, the trend has been continually downward, excepting a slight increase in 1914, until a low of 44.2 cents was reached in 1920. From that year forward there has been a variable but general trend upward until in 1925 the dollar of 1913 was worth 63 cents.

Applying this revised value of the dollar to the increase in per capita expenditures previously noted, we find that the average per capita increase in net revenue receipts for 146 cities is from $30 in 1915 to $39 in 1925, or 30 per cent, instead of more than 100 per cent as first appeared. Per capita payments for expenses and interest increased from $23.93 to $30.16, or 26 per cent, instead of 100 per cent. On the same basis for the same period the per capita debt of those same cities slightly decreased.

The governmental cost payments of our large cities, upon this basis, became for New York, 5.7 per cent decrease; Chicago, 13 per cent decrease; Philadelphia, 5.8 per cent increase; Detroit, 5.8 per cent increase; Cleveland, 18.3 per cent decrease; St. Louis, 21.9 per cent decrease; Boston, 3.4 per cent decrease; Baltimore, 33.6 per cent decrease; Pittsburgh, 8.2 per cent decrease; San Francisco, 42.2 per cent decrease; and Buffalo, 2.3 per cent increase.

There are probably elements of error in both the statement of governmental cost figures and in the index of purchasing power of the dollar. But making whatever allowances may appear reasonable, it is still evident that the cost of local government has not increased in any such degree as is commonly asserted.

ABILITY TO PAY GOVERNMENTAL COSTS

What is the ability of the taxpayers to meet this increasing cost of government, whatever it may be? The most commonly accepted standards of ability are wealth, upon the basis of which the annual tax levy is made; and income, from which the payment is made.

As to wealth, it will be accepted that the total assessed valuations of our cities are growing substantially from year to year. The figure of any city will prove this. Take Detroit, for example: 1916, $732,000,000; and in 1926, $3,160,000,000. Figures for all cities, for the past two decades, are not readily available, but a limited analysis over a period of five years verifies the general conclusion. And not all wealth is taxable; nor is all assessable wealth assessed at its full value.

The National Industrial Conference Board estimated the national wealth in 1925 at 355.3 billions of dollars. Comparative growth in the nation's wealth, in current dollars and upon the basis of the purchasing value of the 1913 dollar, is reported by that Board as follows:

Year	Current Dollars (in billions)	1913 Dollars (in billions)
1912	$186.3	$188.0
1922	320.8	
1925	355.3	233.9

Thus, the nominal increase in wealth during the 13-year period is 90.7 per cent, and the real increase 19.1 per cent.

Similarly, income is also experiencing a healthy growth. Perhaps this is fortunate, particularly in view of the popular demand for new and improved services—radios, movies, gymnasiums, auditoriums, and swimming pools in schools, motorized fire apparatus; traffic control signals, probation, etc. The latest and best estimate of the per capita current income of the people of the United States is that published by the National Bureau of Economic Research. Stated in current dollars, and upon the comparable basis of the 1913 dollar, the figures are as follows:

Year	Current Dollars	1913 Dollars
1913	$329	$329
1914	320	316
1915	326	319
1916	385	349
1917	470	361
1918	537	340
1919	640	358
1920	697	341
1921	579	334
1922	*597	*369
1923	*689	*421
1924	*700	*426
1925	*752	*445
1926	*770	*455

* Preliminary estimate.

Thus, it will be noted that, since 1916, the nominal income has doubled and the real income has increased 30 per cent. For each of the past five years, the average person's net income has been increasing at a rate of about 7 per cent. The increase in per capita income has almost kept pace with the increase in per capita cost of government although governments are performing old services better and under taking many new ones.

CHARACTER OF GOVERNMENTAL SERVICES MUST BE CONSIDERED

Next, let us examine the purpose of expenditures. Basically, municipal expenditures may be classified as productive and non-productive. Considerable thought may be given to the distribution of expenses upon this basis, but in general it may be asserted that education is a highly productive function; also, the building and paving of highways, traffic control, etc. On the other hand, it may be argued that expenses for police and fire protection, public health, parks, recreation, street lighting, street cleaning, and many other functions, while necessary, are perhaps not so productive. But at any rate in so far as governmental services facilitate the production of wealth and income, no person can quarrel with their cost and its increase.

Expenditures for these essential activities may well be compared with the expenditures of society for certain nonessentials, or luxuries—as for chewing gum, jewelry, candy and cigarettes, cosmetics, silk shirts, and furs. Statisticians repeatedly have shown that expenditures for such purposes amount to billions of dollars annually, and certainly exceed those for the desirable and necessary ordinary functions of a city government. For example, the National Education Association Research Bulletin for January, 1927, reports such expenditures in 1924 amounting to $5,522,000,000; and adds that in the nation as a whole the amount spent for schools was 42.3 per cent of that total. In 1924, municipal governments including education, raised less than four billion dollars in taxes.

FEDERAL VERSUS LOCAL EXPENDITURES

Finally, in view of the occasional unfavorable references to the increasing costs of local government as contrasted with the apparent reductions in federal expenditures, it should be stated that such comparisons should take cognizance of the fundamental difference in demands upon the government in the two cases. Federal expenditures are assuming a normal, pre-war basis, due to lessening demands, and the cost of these normal activities is increasing. Local government is having additional demands for services and for facilities to make those services possible. No better test of the justification for increased local expenditures could be had than the voice of the people assenting to the increases; and at every election numerous instances exist of the voters approving bond issues for many millions, and in some cases, of additional tax levies.

The National Industrial Conference Board, in the *Cost of Government of the United States, 1926* (page 83), in asserting that the cost of local government has increased from 5.8 per cent of the national income in 1913 to 8.5 per cent in 1923, recognizes this tendency to increase governmental activities by saying, "with every advance in the stage of civilization, collective activities rise with it, as one is in a large measure a reflection of the other. Increasing amounts spent on education, good roads, recreation, improved methods of public protection and sanitation, etc., are in themselves the criteria of relative progress and welfare."

THE POLICEWOMAN AND THE WOMAN CRIMINAL

BY LOUIS BROWNLOW

The Louis Brownlow Service, Current News Features

The policewoman is not only a woman, but she is a police officer, too, and she has her share in the prevention and detection of crime. :: ::

Some forms of crime are more or less the special business of women criminals, and in this field the policewoman often is able to do quicker and more effective work than men police officers.

Take shoplifting, for example. In large cities all the great stores employ their own private detectives to be on the watch for shoplifters, nearly all of whom are women, and in some cities where policewomen are few and their other duties so heavy the job is left entirely to the private detectives, the police being called in only when the store management desires.

In the cities where this work has been turned over to policewomen, and in smaller cities where the stores are not large enough to employ special detectives, the policewomen have demonstrated great usefulness.

In Washington, for instance, where two policewomen have been assigned to the stores patrol for several years, the professional shoplifter has been almost entirely eliminated.

No store gets special protection, but the women visit them all on the "flying squadron" principle. No shoplifter will operate when any man is present, as he might be a detective, they think. The women, not being identifiable, get opportunities to watch suspects that no man can hope to have. The stores, naturally, coöperate in the work, and call in policewomen when they have found a shoplifter.

That in more than three thousand cases of shoplifting in Washington there have been fewer than forty repeaters in the last three years, indicates clearly that the professional shoplifter has given Washington the "go-by." It is too dangerous with the policewomen always liable to be hanging about, so they have moved on to other towns.

THE NON-PROFESSIONAL OFFENDER

The non-professional shoplifter is, of course, a difficult problem. In most cases the store does not desire to prosecute, and in many instances it should not. The policewomen have been particularly valuable in such cases.

For instance, there was the case of a minister's wife. Her husband made a salary of $1,500 a year, and the three children and the whole family had to live up to his position. Out of that salary he had to contribute, according to the custom of his organization, a tithe, or $150 back to the church. The family had struggled and pinched, and now the eldest daughter was to be graduated from high school. The mother had no money. She couldn't bear to have her daughter stay away

Ed. Note.—Mr. Brownlow, who is well known to Review readers, is now conducting a daily syndicated column on municipal government. A newspaper in your city should be carrying his column, if one is not already doing so. The above article is representative of the series which is based on the author's practical experience and broad study of city problems.

from commencement because she had no clothes to wear. So she went into the stores, and, day after day, took what was needed, a dress, shoes, stockings—everything for that June graduation day. A policewoman caught her. She was not prosecuted, but she will never steal again.

There was the case of a young girl who had stayed out late at a party, an entirely innocent affair. Her father, unsympathetic and dictatorial, raved at her and called her a vile name—saying no decent girl would stay out that late. So she said to herself, "If he thinks I'm that, I'll be that." She decided that the first thing she needed for her career in the streets was a pair of long earrings. She took them. The policewoman caught her. She had been just twenty minutes in her resolve to lead an abandoned and a criminal life. She was not prosecuted. She will not steal again. She also has a different sort of a father at home for he realized what he had done and how nearly he had driven his daughter into crime because he could not and would not recognize the changing social conventions of the times. Midnight is not as late as it used to be, forty years ago.

I knew a woman who had always had plenty of money, whose husband made a good salary and who supported her and her little daughter in every comfort. He died. The money he left was soon spent, and she faced want. She had never been taught to work. She saw an automobile at the curb, and it occurred to her how easy it would be to get in and drive away. She did it, drove around to her hotel and put her baggage and her little daughter in the car and started out. In the next city she sold that car—this was several years ago when none of the states required title registration—and stole another. She toured the country, thus. Always stealing and always selling. In one city she sold her car to the chief of police—it was a good-sized city and a good chief at that. The police became suspicious of her manner but could make nothing of the case until the policewomen were called in. They got it all, and the men police officers were free to acknowledge that it was a case that they never could have made.

OF HELP IN MAJOR CASES

In cases involving major crimes where women are involved, often as the mistresses or the confidants of professional criminals, women police are invaluable in getting information which the men detectives could not get at all. For the women criminals and the women friends of the criminals will talk to the policewomen when nothing the policemen can do will induce them to open their lips.

And there's another thing: Women criminals can sometimes "get away with it" when only the men police officers are involved by the artful use of their feminine charms. I have known it to happen. Not so when the policewoman is on the trail.

While the special function of protective and preventive work with women and children first in mind must remain the greatest objective of the policewoman, I expect to see her taking an increasingly active part in the ordinary police work. Her feet may not be flat, but the policewoman is not a bad detective.

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RECENT BOOKS REVIEWED

THE CLEAN UP. By Mark Lee Luther. Indianapolis: Bobbs-Merrill Co., 1926. Pp. 314.

Fiction is not ordinarily reviewed in these columns, but this readable little volume brings a new character into fiction—the city manager. Mr. Luther tapped our pamphlets for color and specific incident, and read the convention proceedings of the City Managers Association. Accordingly his city manager hero has quite a familiar look to my friendly eye and it is a pleasure to assure you that he acquits himself well in politics and love and bears, it seems to me, a faint resemblance to Henry M. Waite. I am confident that many managers will feel something familiar in the impersonal ungrateful cruelty of the public toward its servants. Hatton and I, handing out advice to city managers, have warned them against most everything in the way of theoretical dangers, but neither of us thought to warn them against falling in love with a married woman! Our hero here does this in a pure and noble way as a city manager would, and it all comes out happily in the end through an opportune bit of shooting, and the referendum for the repeal of the manager plan fails at the polls. The book is good enough for city managers to get a special kick out of it.

RICHARD S. CHILDS.

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THE RISE OF AMERICAN CIVILIZATION. By Charles A. Beard and Mary R. Beard. New York: The Macmillan Co., 1927. Two vols. Pp. 1652.

It is not wholly clear whether the Beards have given us a history of American civilization or an interpretation of the history of American civilization. It is not a history of those mysterious entities, the United States, nor of the American Nation. John Richard Green's famous title would scarcely do; this is not so much a history of the American people as an account of what has happened to the American people, and why. Perhaps the word "civilization" covers that; perhaps not. It all comes down to the fact that the authors have given us something new which cannot be neatly assigned its pigeonhole. The reviewer is even at sea as to how to make most effective use of it. Can these volumes serve as textbooks; will undergraduates read them and survive? The one certain conclusion is that the historian need hesitate no longer when colleagues from other departments, graduates or random acquaintances ask what they can read and enjoy reading on American history. Here is the answer, 1,652 pages of it, all written with a joyous excitement that cannot fail to become infectious. From Anaximander to Moby Dick in one volume and thence to Henry Adams and Secretary Wilbur in the second, the Beards run gayly through the history of all civilization in their efforts to place that tiny fragment we call "American" into its proper setting. And, after all, is anything more essential for the interpreter of American civilization than a keen Rabelaisian zest for all the gaudy values of that astonishing spectacle?

Refusing to commit themselves in a preface, the authors weave their thesis into their text and force reviewers to do them some injustice by wrenching phrases from their context. "The American Revolution was merely one phase of a social process that began long before the founding of Jamestown and is not yet finished;" the constitution restored "agencies of control and economic policies akin to those formerly employed by Great Britain." So the Civil War, "in the light of Roman analogy, was a social war, ending in the unquestioned establishment of a new power in the government. . . . All that two generations of Federalists and Whigs had tried to get was won within four short years, and more besides." And so it goes, up to a conclusion in which the authors will shock some of their less subtle adherents by quoting with apparent approval President Coolidge's own version of American political history.

Here is what we expected, the Economic Interpretation in full panoply and *sub speciae aeternitate.* "History was repeating old patterns in a new and more majestic setting. In the development of every great civilization in the past, there had come to the top groups of rich and enterprising business men . . . and everywhere they advanced with deadly precision on the classes which derived their sustenance from agriculture." But the very ring of the phrases quoted should temper such hasty "I-told-you-so's" as the reader may be tempted to utter. While the Beards have stood by their guns, it is a mellower, infinitely more subtle and less aggressively economic interpretation which they now offer. "*Broadly speaking*" the division over the constitution ran along economic lines. "It is not here contended that all capitalists with mechanical exactness were drawn to one combination and all planters and farmers to another." The economic interpretation is not glorified as the Open Sesame to the essence of American history. "In reality the heritage, economics, politics, culture, and international filiations of any civilization are so closely woven by fate into one fabric that no human eye can discern the beginnings of its warp or woof. And any economic interpretation, any political theory . . . which ignores this perplexing fact, is of necessity superficial." One could not ask for a more thoroughgoing confession of faith, or of humility. If those embattled volumes on the constitution and Jeffersonian Democracy should be again reprinted, these two sentences might well be put into italics on the title pages.

The reviewer regrets the relative neglect of political theory in these volumes and feels that the legal and political catch-phrases of American history, from "natural rights" to "nationalism" and "democracy," should have been analyzed and taken more seriously. Despite the authors' insistence that each social group has used the phrases as means rather than as ends, he suspects that the sections on Jefferson, Jackson, Lincoln, the Fourteenth Amendment, all lack that one spot of bright color without which the picture refuses to fall into perfect balance. But all this is beside the point. It is a splendid piece of work and a unique contribution to historical literature, probably better and more important for American than Green's volume ever was for English history. The Beards have given all of us enough to think over for another generation.

Frederich Manning.

Swarthmore College.

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The National Budget System: With Suggestions for Its Improvement. By W. F. Willoughby. Baltimore: Johns Hopkins Press, 1927. Pp. xvi, 343.

Ordinarily one does not look to a scientific discussion of national budget procedure for renewed enthusiasm for public service. However, anyone impatient with citizen and official indifference to obvious improvements will find in Dr. Willoughby's *The National Budget System* a new assurance that a progressive in government does not always require the sense of time of a geologist.

Less than ten years ago the United States and Turkey were bracketed as the only two civilized nations that did not have a budget system—a remark good for a chuckle before any audience. In 1921, after years of stupid political objections, the national budget act became a law. What is of almost equal importance, the administration of the law fell to General Charles G. Dawes and later to General Herbert M. Lord. The results of the national budget system are as much or more the work of these two men as they are of statute law and presidential order. Nor can the encouragement of Representative Martin B. Madden and Senator Francis E. Warren, chairmen of the committees on appropriation of the house and senate, be overlooked. Naturally, as a scientific appraisal, Dr. Willoughby's discussion leaves these personalities out except for high commendation, but the reader will find between the lines the part men played in making methods work.

The book opens with the beginnings of budgetary reform,—of the work of the Taft Commission of Efficiency and Economy, later carried on by the Institute of Government Research; of forward-looking presidents and congressmen, particularly Representative James W. Good and Senator Medill McCormick; of impatient citizens; of a war that made an unwilling congress accept the budget measure—because it must; of the corollary reform in the rules of the house and of senate; and finally of the organization of the budget bureau.

Two additional sections deal completely with the budget procedure, including the responsibility of the president for the preparation and submission of the budget; its form and content; method of preparation; and the treatment of deficiency and supplemental estimates. There follows a statement of the action on the budget by congress, including the general financial procedure; a discussion of the distinction between authorizations to incur liabilities and the grant of appropriations; the extent to which the budget estimates are modified by congress; and brief mention of permanent appropriations, appropriations for salaries, and for public works. A further section deals with the execution of the budget, including the control over expenditures and administration organization, as well as of the work of the coördination agencies which General Lord has made familiar to the country through his public addresses and interesting annual reports.

The concluding chapters contain suggestions for improvement and suggest among other items the more complete legalization of the bureau of the budget, of the transfer to the bureau of the duties of the bureau of efficiency, of the general supply committee of the treasury department, of the public buildings committee, of certain executive powers of the joint commission on printing, and the relief of the director of the budget from participation in the work of the personnel classification board. Other suggested improvements involve the modification of supplementary budgets, the elimination of the District of Columbia from the budget, the improvement of the appropriation system by the abolition of permanent appropriations, the curtailment of special revenue and expenditure funds, change in treatment of unexpended balances, etc., etc.

In view of the "epochal reform" wrought in the financial methods of the United States Government by the budget system, "it is a matter of interest that the national budget from this technical standpoint of the character of information presented and the form of its presentation is probably superior to budget documents of any other important government." A committee of inquiry from the government of North Ireland in submitting its report said: "The new system of the United States must clearly be regarded as the most finished of those that have been reviewed." "The United States . . . has its estimates and accounts on lines which while meeting the requirements of appropriations, are calculated to give the fullest possible information as to cost of governmental activity." "The most fully developed system is that of the United States." Such praise must be appreciated by men engaged in research in government when they recall that the whole movement for modern budget methods in this country began through their activities in 1907 when the department of health in New York City was prevailed upon to adopt a modern procedure, which spread rapidly to the other departments of the city of New York and from there throughout the cities of the country.

Dr. Willoughby states that the purpose of his volume is "to set forth the provisions of this (the budget) act and to describe the manner in which they have operated in practice during the five years they have been in force." This the author has done with the same enviable clearness and completeness that have characterized his other volumes on public finance.

Lent D. Upson.

Detroit Bureau of Governmental Research.

✣

Applied Budgeting. By Henry Bruère and Arthur Lazarus. Chicago: A. W. Shaw Company, 1926. Pp. xi, 248.

This book is devoted entirely to a discussion of budgeting in industries and is the first comprehensive treatise to be written on the subject. While quite a lot has been written on governmental budgeting, it is in the main not applicable to private enterprises. The governmental budget is used chiefly to restrict and regulate spending, while the industrial budget has as its main purpose the comparison of costs and the coördination of work. The latter budget is not based upon any definite period, as a fiscal year, but the period covered by it may vary depending upon business conditions. Commercial budgeting is, therefore, an extremely flexible arrangement, susceptible of rapid modification to meet changing market conditions, supply of materials, or fluctuations in sales or traffic. It involves in many cases a forecasting of the future course of business, which is by no means a simple matter. In this regard also it differs from governmental budgeting. So far, governments have not been much concerned with business and economic conditions in making their budgets.

Although the business budget may be regarded as an offspring of the public budget, governments have something to learn even at this early stage from commercial budgetary practices. One of the most significant things about commercial budgeting is the long-time planning which is undertaken by certain industries. An excellent example is the long-range budgeting of the American Telephone and Telegraph Company. This company prepares a forecast of income and expenditures for a period of five years, adjusts this forecast each year, and budgets its activities accordingly. Naturally adjustments must be made as experience varies from the forecast, but such adjustments do not destroy the effectiveness of the budget. By means of the five-year forecast, which it is able to make with great accuracy on account of the constant increase of its business, the company is enabled to plan its finances, manufacturing schedules, and purchase and labor requirements for long periods in advance. It is not impossible for any large city government to do the same thing. Indeed, such cities should plan for as much as ten years ahead; their needs in the aggregate are even more constant and regular than those of most large businesses. As things now stand, cities are going ahead more or less blindly, planning a year at a time, which is at best a sort of hand-to-mouth existence.

The authors of this book discuss budgeting methods and procedure in eleven types of industries, namely, oil companies, railroads, banks, newspapers and magazines, contracting and construction companies, metal working establishments, department stores, canners, hotels, ice cream factories, and garment industries. In some of these industries, budgeting is a comparatively simple matter; in others, it is a very complex and far-reaching procedure. The book contains more than a hundred forms illustrating the different steps in budgetary preparation and control in the various industries. From a practical standpoint, these forms are perhaps the most valuable feature of the book.

The concluding chapter on "budget essentials" is, in the opinion of the reviewer, the most unsatisfactory chapter in the book. This chapter apparently gets nowhere; and, besides, it reiterates several of the points already discussed in the first chapter. Finally, the reader may be somewhat confused—perhaps amused—when he reads on page 8 that a business budget is a "cathartic," and on page 228 that it is a "seed," a few lines below a "virus," and again near the bottom of the same page a "cardinal element." To those uninitiated in the art of budgeting these figures of speech would indicate that a business budget is something that might be concocted with success at a corner drugstore!

A. E. Buck.

✣

English Local Government. Ruskin College, Oxford, 1926. Pp. 63.

Members of the faculty of Ruskin College, Oxford, have set out to present the essential facts of English local government in sixty-three pages. An ambitious attempt, certainly, but they have done an excellent piece of work. With clarity and precision they trace the history of local political institutions and outline the structure of present-day government. Even the separate government of London is not ignored.

The first five chapters are devoted to the machinery of government; the remaining seven deal with administration. Such matters as public health, poverty, housing, education, police, municipal trading and local finance each receive a few pages. The reading matter is of necessity almost entirely descriptive. Space does not permit of analysis or criticism. The pamphlet is designed as a home study course, and makes no pretense at thoroughness. Appended is a bibliography of a dozen volumes.

Austin F. Macdonald.

✣

An Eight-Year Financial Program for Detroit. The Report of the Mayor's Committee on Finances. Public Business, April 15, 1927. Detroit Bureau of Governmental Research. 22 pp.

This is a revision of the ten-year improvement program prepared by the Mayor's committee in 1925. The estimate of expenditures for public improvements for the next eight years, 1927–1935, in the city of Detroit is $736,211,864. The revised program, like the original program, includes rapid transit, and again it does not provide for superhighways, port development, or further extension of the city's boundaries. The report is based upon a study of the detailed estimates of an eight-year program submitted by individual departments and a consideration of both the city's future financial resources and the financial policy which any administration might reasonably adopt. After a careful scrutiny of the possible means of financing the improvements, the committee found that the method might be approximately as follows: one-third of the expenditures to be raised by taxes and departmental revenues; a little less than one-third by special assessments; the remainder by bonds. In some instances the committee found it necessary to deal conservatively with the departmental estimates, recommending more gradual acquisition of certain public improvements. This was true particularly of the estimates of the city plan commission, the parks and boulevards department, the recreation department, and the welfare commission. An interesting contrast is furnished by the action of the committee on the estimates of the recreation department and their action on the estimates of the board of education. While the estimate of the recreation department was cut by the committee from $9,485,000 to $2,000,000, the board of education's estimate of $55,000,000 received a reduction of only $3,000,-

000. Recreation as a municipal utility is still far behind the procession. The committee also comments at length on the plans of the rapid transit commission, since the estimates for transit included in the total estimate of $736,211,864 amount to $263,800,000, which would be Detroit's portion of the cost of a complete system of subways for the city and environs. The committee feels, however, that full coöperation has not yet been had looking toward a practical and effective solution of the traffic problem. On the matter of rapid transit, therefore, they believe such a vast expenditure should be authorized only after a more scientific and coördinated study has been made and greater certainty reached as to the best remedy.

Martin L. Faust.

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The Next Ten Years in Kansas City's Municipal Finance. Kansas City Public Service Institute, March, 1927. 27 pp.

The purpose of this study is to present some basic considerations looking toward a ten-year financial and improvement program for Kansas City. While the report contains illuminating material on financial policy for the ten years, 1917–1926, there has been no attempt to make any detailed estimates on financial requirements for the ten years, 1927–1936. The statement, therefore, has value principally in calling attention to the need for a careful, detailed financial plan, covering a ten-year period, which should be prepared to determine as nearly as possible operation requirements, what improvements are actually necessary, what Kansas City can afford to pay for, and how funds should be provided and distributed.

Martin L. Faust.

Village Laws and Government in Minnesota, by Harvey Walker, staff member of the League of Minnesota Municipalities, has been published by the Bureau for Research in Government of the University of Minnesota. The object of the study, as stated in the Foreword, is to make available to village authorities, authentic information as to their powers and duties and the status of their individual villages. Heretofore it has been very difficult if not impossible to determine definitely just which laws governing villages applied in special cases.

After tracing the history of local government from the early town charter through the present provision for village government by general law, the author devotes a chapter to the factors involved in incorporation and reincorporation. Supplementing the general text with the facts contained in the appendices, there need be no village in Minnesota that does not know definitely the laws to which it is subject.

Mr. Walker has produced an excellent piece of research work and although its practical value is limited to Minnesota, it must be regarded as an important contribution to the field of municipal government.

E. C.

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Personnel and Salaries of Fire Departments in Wisconsin Cities, as of October, 1926, is the third of a series published by the Municipal Information Bureau of the University of Wisconsin, the other two having been issued in 1918 and 1924 respectively. In the 1926 report, aside from statistics on salaries and employees, special note is made as to whether each city has adopted the two-platoon system in its fire department.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Home Rule—Extramural Offenses.—By the constitution of the state of California municipal courts may be established in a city when its charter, or an amendment thereto, so provides, or when its people shall so vote at an election and gives them original jurisdiction in all cases at law in which the demand for damages or value of the property in litigation does not exceed one thousand dollars, and also in criminal cases including high grade misdemeanors (Art. VI Sec. II). In cities which have municipal courts, no other courts inferior to the superior court are to function, so that the inclusion of a town or part of a town within the limits of a city terminates the jurisdiction *pro tanto* of the existing township courts. The jurisdiction of justices courts in townships has been extended by statute to offenses committed within the limits of the county.

In *People* v. *Denault* (253 Pac. 151) the validity of a statute extending the jurisdiction of municipal courts over misdemeanors committed anywhere within the county was before the district court of appeals of the second district. The constitution expressly confers upon the legislature the power to provide by general law for the "constitution, regulation, government and procedure of municipal courts and for the jurisdiction thereof" except in certain minor particulars. The power given to home-rule cities by article XI of the constitution is to provide by charter "for the establishment, constitution, regulation, government and jurisdiction of municipal courts with such civil and criminal jurisdiction *as by law may be conferred upon inferior courts.*

Nevertheless, the court held that the legislative power over the extent of jurisdiction of inferior courts must be limited by the constitutional home-rule system; that the constitutional provision giving to such cities the power to establish, regulate and determine the jurisdiction of municipal courts by necessary intendment deprives the legislature of control over them. Thus the California doctrine that home-rule cities are *imperia in imperio* is extended to cover the administration of justice, which is elsewhere regarded as primarily a state function the organization and regulation of which must be uniform throughout the state. While the present case involves only the control of the legislature over the jurisdiction of the municipal courts, the court frankly admits that it is based upon the conclusion that the establishment of such local courts is a "municipal affair" as that term is used in the constitution. It would seem that the court unduly emphasizes the possible evil of coordinate jurisdiction of the township courts and municipal courts, and loses sight of the necessity of uniform legislative control which should prevail except where expressly limited by the constitution. The attitude of the supreme court of the state on this point will be awaited with interest.

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Incorporation—Judicial Recognition as Curing Defects.—In *Gosnay* v. *Butler Graded School* (292 S. W. 781) the Kentucky court of appeals had before it the question as to how far the courts should go toward interfering with public corporations which began their existence as *de facto* corporations and under what circumstances they should regard these bodies as *de jure* public agencies. The action was brought by resident taxpayers to enjoin the school district from levying and collecting a tax for carrying on the school upon the ground that the district had no legal existence. The facts showed that the inhabitants of Butler took action to incorporate a school district in 1892, but through failure to conform to the method prescribed by statute, the incorporation was not perfected. Nevertheless, the inhabitants had assumed that the school district was legally incorporated and by periodical elections, maintaining a school and levying and collecting taxes therefor the organization had functioned continuously from that time. In refusing to grant the injunction, the court held that in its sound discretion it could not under the facts of the case interfere with the existing organization and therefore would recognize it as a *de jure* corporation

While this same conclusion might have been reached upon other grounds, the court bases its decision on the broad principle laid down by Mansfield and Buller in *King* v. *Stacey* (1 Tr. 1), that in the case of public corporations there must necessarily be a limit in time for attacks upon the regularity of their incorporation. While no time will run against the sovereign's right of action, the extraordinary writ of *quo warranto* lies in the discretion of the court, and should not be granted after the acquiescence of the public for a term of years. In Mansfield's time twenty years was decisive on incorporation by prescription, but he stated that a much shorter period might often be sufficient. The Arkansas supreme court in *State* v. *Leatherman* (28 Ark. 81) applied this principle to sustain the irregular incorporation of Arkansas City after eight years the Iowa supreme court in *State* v. *Des Moines* (96 Iowa 951) after four years, and the Supreme Judicial Court of Massachusetts after two years in *Attorney General* v. *Methuen* (236 Mass. 564), a case where the state urged as fatal a failure to comply strictly with a provision of the state constitution governing the incorporation of cities.

⁂

Traffic Regulations—Exclusive Control under Baltimore Charter.—The question of statutory control of highway traffic in reference to local control by individual municipalities is quite generally being solved in favor of the centralizing authority. Outside of Ohio and California, the statutory regulation supersedes the existing ordinance, and in the latter state, the same result would follow the occupation of the entire field by the legislature. This result in the home-rule states is due to the public nature of the function and the recognition that it is not a strictly municipal affair. The courts have further been influenced by the need of uniform regulations in order to meet some of the serious problems of traffic control.

In *State* v. *Stewart* (137 Atl. 39) the Maryland court of appeals had this question before it, raised by an appeal of the state from an order of the trial court sustaining a demurrer to an indictment for violation of a traffic regulation, promulgated by the police commissioner of Baltimore under authority of a statute empowering and directing him to make all necessary rules and regulations for the control and conduct of vehicular traffic. In affirming the order, the court of appeals holds that under the home-rule amendment no local statute can be passed affecting any power that has been granted to the city of Baltimore, that so long as the grant of power to regulate traffic remains unrepealed, it is to be exercised by the city authorities without any statutory restriction. It is to be noted that the decision does not affect the power of legislature to pass general laws on this subject applicable to all cities of the state, but sets forth the constitutional inhibition on such legislation when limited to only one city whatever method of classification is employed. Any other decision would have resulted in practically nullifying the home-rule provisions of the state constitution. The city has been granted plenary power to control traffic on its streets and this power is to be exercised by the mayor and council, the local legislative body, without interference by the state legislature.

⁂

School Purposes—Athletic Parks and Stadia as Necessary Equipment.—The important position that physical training and athletic competition now hold in our educational system is indicated in two recent decisions. In Commissioners of the *District of Columbia* v. *Shannon & Luchs Construction Co.* (17 Fed. 2nd 219) the District of Columbia filed petitions for the condemnation of lands for an athletic park for the Western High School. The property owners in their answers challenged the jurisdiction of the court to entertain the petitions on the ground that under the provisions of the zoning law the property could not be used for the purpose designated, being in the residential district where only dwelling houses, apartment houses, hotels, churches and educational institutions are permitted. In brushing aside this objection the District court of appeals, speaking through Justice Van Orsdel, said: "An educational institution consists not only of buildings but all the grounds necessary for the accomplishment of the full scope of educational instruction. More properly defined, a modern educational institution embraces those things which experience has taught us are essential to the mental, moral and physical development of the pupils."

A similar question was decided in April of this year by the supreme court of Arizona in *Alexander* v. *Phillips* (254 Pac. 1056), in which an action was brought to restrain the Phoenix Union School District from issuing $80,000 in bonds which had been voted for the purpose of building a stadium. The court held that the delegated power to erect buildings included power to erect a stadium as a necessary building for educational instruction.

It may be noted that the acquisition of lands by eminent domain for a school athletic field was upheld as a public use to be determined by the discretion of the city by the supreme court of New York in *Binghampton* v. *Bruno* (208 N. Y. Supp. 60). Other recent cases sustaining the principle above set forth are: *State* v. *Superior Court* (69 Wash. 189, 124 Pac. 484) and *Webster City* v. *Wright County* (144 Iowa 502, 123 N. W. 193).

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Parks and Playgrounds—Liability for Negligence.—In *Hensley* v. *Town of Gowrie* (212 N. W. 714) the supreme court of Iowa reaffirms its classification of the maintenance and control of parks as public and government and the conclusion that therefore no liability should attach for injuries to a child, caused by the collapse of a concrete structure used as a fountain. The court rejected the argument that the duty of the city as to the care of parks was analogous to that of streets. In *Hannon* v. *Waterbury*, decided by the supreme court of Connecticut in April of this year (36 Atl. 876), the court refused to modify its doctrine of immunity of cities to tort actions based on negligence in the care of its parks, even when incidental fees were collected. On the other hand, in the same month the Colorado supreme court in *City of Longmount* v. *Swearingen* (254 Pac. 1000) held that the failure of a life guard to be on duty at a municipal swimming pool was evidence of actionable negligence on the part of the city.

The decisions in the first two of these cases were based upon precedents long established, which the courts not only refused to modify, but strongly reasserted. The Iowa court even intimated that the tendency of recent decisions was toward continuing the immunity of municipalities from tort action in these cases, its attention apparently not having been called to the cases of *Wardman* v. *Grafton* (W. Va. 1926, 128 S. E. 375), *Pamires* v. *Cheyenne* (Wyo. 1925, 241 Pac. 710) and *Byrnes* v. *Jacksonville* (Miss. 1925, 105 So. 861), in each of which cases the highest court of the state for the first time aligned itself with the so-called New York doctrine, holding municipalities liable for negligence in the care of parks (*Ehrgott* v. *New York*, 96 N. Y. 264). Iowa applies the New York doctrine as to liability for care of streets to its fullest extent (*Woodard* v. *Des Moines*, 182 Iowa 1102, 165 N. W. 313; *Wheeler* v. *Fort Dodge*, 131 Iowa 566, 108 N. W. 1051), but refuses to apply the same principles to the care of parks. Its inconsistency in this respect is well pointed out in the opinion of the supreme court of Michigan which applies the New England rule of tort immunity to this governmental function as well as to streets (*Heino* v. *Grand Rapids*, 168 N. W. 512) and refuses any remedy for damages resulting therefrom not imposed by statute, unless the injury results from a positive trespass on real property, the maintenance of a nuisance or in connection with an activity from which the municipality derives revenue. As to the last-named ground of liability, however, the Michigan courts are far more liberal than the Connecticut courts, incidental revenue for services rendered apparently being sufficient to give a right of action (*Foss* v. *City of Lansing*, 212 N. W. 952). An extended discussion of this question was published in the May, 1926, issue of the REVIEW at page 302.

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Zoning—Restricted Districts: Set Back Lines.—The effect of the decision of the supreme court in *Euclid* v. *Ambler Realty Company* was noted in the May issue as determining the validity of zoning in Tennessee (*Spencer-Sturla Co.* v. *Memphis*, 290 S. W. 608). On April 18, the highest court of Colorado had occasion to rely upon the same decision in sustaining the general zoning ordinance of the City of Denver (*Cobly* v. *Board of Adjustment*, 255 Pac. 443) which had been enacted pursuant to power granted itself by amendment to its charter. The Supreme Court on May 31 handed down its decision affirming a judgment of the supreme court of California upholding the provisions of the Los Angeles zoning ordinance (*Zahn & Ross* v. *Board of Public Works*). The exclusion of buildings for business purposes from the area in which the plaintiffs' property lay was the basis of their attack upon the ordinance. Although the property in this area was largely undeveloped and it appeared that the exclusion of its use for business purposes might affect its value, the court speaking through Justice Sutherland says: "The most that can be said is that whether that determination was an unreasonable, arbitrary or unequal exercise of power is fairly debatable. In such circumstances, the settled rule of this court is that it will not substitute its judgment for that of the legislative body charged with the primary duty and responsibility of determining the question."

On the same day, the Supreme Court affirmed a judgment of the supreme court of Virginia which upheld an ordinance of the city of Roanoke creating set-back lines for business and residential districts (*Gorieb* v. *City Council of Roanoke*). The ordinance fixed the building line at least as far from the street as that occupied by sixty per cent of the existing structures upon a given block. To the contention that this standard is too vague, the court answers that in the instant case it may be put aside, "since (a) the permit was granted and the building line fixed under the proviso which reserved to the council in appropriate cases authority to fix the building line without reference to this limitation, and (b) as to the existing houses in the block in question, the actual differences in respect of the building lines upon which more than sixty per cent of them stood are so slight as to be entirely negligible upon the question of certainty." The standard of the average set-back of the majority of the buildings already erected in a given block seems to be a reasonable regulation and similar ordinances have been generally upheld. Two other recent cases in accord are *Harris* v. *State*, 155 N. E. 166 and *Weiss* v. *Guion*, 17 Fed. (2d) 262.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Railroads and Motor Transportation.—In a recent opinion and order the Minnesota railroad and warehouse commission treated a situation which has caused increasing difficulties all over the country: the regulation of motor transportation in conjunction with the railroads and the relative economic position of the two modes of transportation.

The discussion brings out several fundamental matters which must be considered by commissions everywhere in dealing with railroads and the newer mode of transportation. As to the latter there is first of all a necessary readjustment of what constitutes a "utility" and how it shall be regarded. The railroads and other companies heretofore regarded as "utilities" have been practically natural monopolies; they have large capital investments and have had practically complete control in the particular localities served. The new agency, however, is altogether different. It requires no large capital investment; it operates over highways furnished and maintained at general public expense; does not involve an extended scope of operation. It does not lead naturally to monopoly. It may be organized and conducted largely on a competitive basis. This is a basic economic distinction which as yet has received little consideration by regulatory bodies.

A further characteristic of the new agency is the difficulty of differentiating between transportation which falls strictly within the conception of ordinary private business and transportation which in fact constitutes the work of a common carrier. All railroads are of necessity common carriers in respect to all traffic. Private railroad operation is an impossibility except in very special cases. But in the case of motor transportation a large manufacturer may use the highways with his own trucks and make regular trips to the distributing centers; this certainly is not a common carrier. A manufacturer may enter into special contracts for the conveyance of his products with a private trucking company; nor is this a common carrier. A trucking company may haul goods only as it is especially engaged for particular trips; it is not a common carrier. A special industry provides for a regular route for its own purposes; it is not a common carrier. In the case of railroads no such special transportation distinctions can be made; all traffic is that of a common carrier. Moreover, motor transportation has the greatest flexibility of organization and can make the greatest variety of use of the common highways provided by the state at large. It is difficult, therefore, to decide just what in the last analysis constitutes on fundamental economic grounds a "utility" subject to public regulation.

A further economic factor is the relative cost of motor bus transportation compared with railroads. The latter have become established as general transportation agencies carrying both long distance and short distance traffic. The rate schedules were developed with regard to different kinds of commodities, relative quantities, and particularly with regard to the established distributing centers. Short distance rates have been usually high because of the high cost of handling such local business. Now, however, comes the motor truck which is freed from the large capital investment of railroads, which is not dependent upon fixed terminals and warehouses and which is highly flexible in taking on and delivering shipments. Consequently the cost of motor transportation for reasonable short distances, appears to be much less than on the railroads. This fact must be recognized in rate-making, and it finally must bring about a revision of local rates on the railroads unless the latter decide to abandon the local traffic.

A special point encountered in Minnesota and doubtless elsewhere, is the conflict between interstate and intrastate rate-making. On the railroads the dominance of interstate regulation has been fixed, so that the intrastate rates must be adjusted to the level of the interstate rates. In Minnesota a special source of irritation has appeared in an increase in interstate rates fixed by the interstate commerce commission which has brought about far reaching adjustments of intrastate rates and apparently has caused serious inequalities between localities and relative business interests of the state. The local commission was helpless in so far as the railroads are concerned. But as to motor transportation, which is primarily or wholly an intrastate matter, the local commission has entire control in fixing rates and is thus able to overcome the interstate commerce commission's abstract power over intrastate. If the railroads do not accept the standards fixed for motor transportation, they will lose the local business. It appears, therefore, that the interstate commerce commission will be compelled on economic grounds to recast its rate structures to meet the new situation.

The particular case came before the Minnesota commission through petitions to issue certificates of "convenience and necessity" to operate designated lines for motor freight transportation. The petitions were opposed by the railroad companies on the ground that there was no "necessity" for the lines; that the transportation could be furnished by the railroads. The commission, however, refused to take this view of the law and public policy. It will not hold back the development of the new mode of transportation in the assumed interest of the railroads. It will issue the certificates of "convenience and necessity" if the facts in any case show that there is a public benefit to be served; but it will consider the effect upon a railroad as a factor in the decision. This is a wise decision and should be generally followed by commissions in dealing with motor transportation of both freight and passengers. There is danger of excessive zeal in "coördinating" the new and older modes of transportation.

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New York Subway Bibliography.—Miss Rebecca B. Rankin, Librarian of the Municipal Reference Library, New York City, has prepared and published an annotated list of books, reports, articles and other documents issued between 1910 and 1927 dealing with rapid transit and subways in the City of New York. See *Municipal Reference Library Notes*, Volume XIII, No. 20, May 18, 1927. The documents are listed chronologically first as to year and second as to appearance within each year. The more important items are briefly annotated to give the scope, the point of view, and the importance of the document. The report was prepared primarily for municipal officials and experts who are directly engaged on the New York transit problems, but it will be extremely useful to everyone interested in New York city transportation.

◆

Railroad Depreciation.—Although the railroad companies and other public utility interests have been trying to convince the regulatory bodies, courts and the public at large that there is no depreciation—that the properties are endowed with service immortality—the interstate commerce commission has refused emphatically to take this point of view. For many years it has required the railroad companies to set up regular depreciation accounts among the operating expenses for cars, locomotives, and other equipment used in operation. The general principle has been to charge to depreciation the cost of the equipment during the service-life of each particular unit, to accumulate a depreciation reserve accordingly and thus permit the retirement and replacement of each unit when its service-life is completed.

This policy had not been extended to the road and other railroad structures. As to all such properties the companies have been free either to make depreciation charges or to provide for renewals through direct charges to operating expenses. For some years, however, the commission has had under consideration the advisability of extending definite depreciation requirements to road and structures as well as to equipment It conducted extended hearings on the subject, allowing the companies, and other private or public interests affected, to appear and present all relative data and points of view. Based upon this record, the commission recently issued a new order requiring railroad and telephone companies to make regular depreciation provisions for plant and structures as well as for equipment. The whole question of depreciation is treated in a carefully prepared memorandum. The new order was to go into effect on January 1, 1928. This has since been changed to January 1, 1929, to give the companies sufficient time to make a thorough survey of their properties, to make an allocation for past depreciation and to study the requirements for future depreciation charges.

This is an extremely important step taken by the commission in providing more effective means of regulation. The new requirements are based upon statutory provisions and presumably will raise no legal question. While they may have no direct legal effect upon the allowance for depreciation in determining the "fair value" of the properties for rate-making, they nevertheless will have certain influence upon judicial opinion in passing upon the particular question of valuation.

◆

The National Association of Railroad and Utility Commissioners.—This organization recently published two reports which are available through its Secretary James B. Walker, who is also secretary of the Transit Commission of the City of New York. One of the reports provides a uniform classification of accounts for bus companies. This is presented in two divisions, the one for companies with operating revenues of $100,000 or more per year, and the other for companies with revenues less than $100,000. Up to the present the organization of the bus companies has been in a constant flux, and the conditions have been shifting so rapidly and the commissions have been so busy, that little serious effort has been made to bring the bus companies under the same accounting and financial control as other utilities. The time, however, has come when the commissions must deal with bus companies just as with other utilities and must have like facilities. To this end the proposed classification of accounts has been adopted by the Association and offered for guidance to the commissions. It follows the usual general scheme of classification for balance sheet accounts, revenues, and operating expenses and income accounts. It has no legal validity except as it may be adopted by the individual commissions.

The second report has to do with the problem of dividing revenues and expenses between states in fixing interstate and intrastate railway rates. Such apportionments are always difficult and involve wide differences of opinion as to methods. A special committee of the Association has worked on this subject and has formulated tentative principles and rules for the separation of such data between states. The work should be useful particularly in narrowing the range of individual opinion in particular cases. The rules adopted have no legal force, but they show the conclusions of careful investigation and thought.

Such allocations of revenues and expenses are usually made for the purpose of fixing intrastate railway freight rates. As pointed out elsewhere, to an increasing extent intrastate freight rates are likely to be fixed more according to competitive conditions with motor transportation rather than upon principles of cost allocation however scientifically adopted. If the railroads wish the local freight they must bid for it and must compete with the motor trucks both as to rates and service. Any system of cost classification and apportionment is subject, therefore, to distinct limitations in its application. If it is followed blindly, it may have serious consequences for the railroads.

One More New York Traction Survey.—As this is being written, the transit commission of the state of New York is making an investigation of the traction situation in the city of New York. The immediate occasion is to resume action on the part of the commission in carrying out its statutory duty to formulate a plan of readjustment of all of the traction properties in the city with the object of establishing a unified system acceptable to both the private companies and the city.

This statutory duty has been in suspense for several years. It was provided for by the law in 1921 when the present transit commission was established. A preliminary plan was thereupon formulated based upon tentative valuations of the properties. Before the statutory plan could be completed, however, the fact became clear that both the companies and the city would be unwilling to accept a plan along the general lines of the proposals. The commission had the ultimate statutory right to accept the plan on behalf of the city, but could not impose it upon the companies. Even on the part of the city, however, there were fundamental contract rights involved so that action by the commission would probably have been litigated. Hence, the natural suspension of activity by the commission on any such plan of reorganization.

During recent months Samuel Untermeyer was retained as special counsel by the commission to take charge of a new investigation for the purpose of trying again to formulate and carry out a plan of consolidation. A number of conferences were held between commission, city and company officials, but no agreement was reached. The public hearings have since revealed plainly that the deadlock between the companies and the public authorities continues and that no statutory plan is feasible. The companies apparently will not accept such valuations and plan of organization which would be deemed reasonable to the commission and would be acceptable to the city. The fact appears also, as has been contended by the city authorities, that the five-cent fare fixed by contract is sufficient on the city's present rapid transit lines, and that any apparent inadequacy has been due wholly to overcapitalization and extravagant rentals paid by the operating companies on leased properties.

The investigation will doubtless end without immediate constructive results. It may, however, lead to greater harmony among city and other public officials and make possible a municipal program. The attempt to come to an agreement with the companies either through legislative means or by negotiations will probably be abandoned, and an independent municipal system may be developed. Such a system would probably include not only the new subways now under construction, but also the existing subways which are subject to recapture under definite financial terms fixed by the rapid transit contracts. If the right of recapture is exercised by the city, the latter would have control of practically all the modern rapid transit lines and would leave to the companies all the older and more obsolete properties. It seems likely that such a city system could be operated and made self-sustaining at a five-cent fare, which, however, would not be sufficient to perpetuate the present preferentials payable to the companies and other fixed charges based upon overcapitalization and excessive rentals paid to lessor companies.

There appears to be a reasonable prospect that such a recapture program may be definitely adopted by the city in the course of the next six months. This course would be particularly facilitated if the proposed constitutional amendment to be voted upon by the electorate is adopted, enabling the city to borrow $300,000,000 outside of the debt limit for the purpose of subway construction. If this additional borrowing capacity is made available, then to a considerable extent new subways could be built out of the new credit and the existing debt limit could be used partly at least for the recapture; possibly private capital would be employed in part for such a program. No clear lines of policy, however, have yet been announced by the city.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Secretary

Des Moines Bureau of Municipal Research.—*Inventories.*—At the request of the commissioner of parks and public improvements, the Des Moines Bureau of Municipal Research has been working on an improvement in the method of maintaining inventories of tools and equipment in the park department. This department purchases annually thousands of dollars worth of new equipment in mowers, garden implements and other items without a thorough check on the use of such equipment, especially with respect to tools checked off as obsolescent, lost, etc. A perpetual inventory of all items has been made to which can be added new tools as purchased while other items will be charged off immediately as they are broken or lost. This gives the central park department office a list of the equipment that should be on hand at the end of the year. This will be checked by personal inspection from the central office.

County Budget System.—The bureau is also attempting to coöperate with the county auditor's office and the supervisors in the installation of a budget system and a system of quarterly reports showing departments the amount remaining in their allotments based on the probable revenue to be collected. Heretofore, the county departments have spent blindly, with the result that several funds accumulated deficits annually which must be funded by bonds.

Former Director.—Captain Clarence M. Young, director of the Des Moines Bureau of Municipal Research, and more recently a member of its board of trustees, has been appointed chief of the air regulation division of the department of commerce at Washington. Captain Young has had extensive experience in aëronautics, entering the Army air service in 1917 and serving for eighteen months overseas. For five months he was a prisoner of war of the Austrians. Upon his return to civil life, Captain Young was appointed as the first director of the Des Moines Bureau of Municipal Research in which position he continued for a number of years. Upon his resignation, the position was filled by C. A. Crosser, the present director.

Kansas City Public Service Institute.—*Surveys.*—The principal surveys under way at present are a study of county welfare activities in Jackson county, Missouri, which includes Kansas City, and an operating study of the Kansas City water department.

The former study includes a survey of each of the county institutions and of other welfare activities, except the juvenile court, and some related work. This work is part of the general study of county government being made preliminary to a reorganization plan for county government, which it is expected will be prepared before the next session of the legislature.

The study of the water department, which has been under way for several months, was undertaken primarily to determine the need for main extensions and to find out how best such extensions can be financed; whether by bond issues, by increased water rates, by operating economies, or by some combination of these.

Public Affairs.—The Institute is conducting an experiment in its educational publicity. For a number of years the weekly folder *Public Affairs* has been published. Recently this was expanded once a month into a large edition, seven by ten inches in size, and containing from eight to sixteen pages. An effort is being made to present information in a more popular, attractive and readable form. Even the cover design and set-up have this in view. The same standards of accuracy and timeliness are maintained. Whether the new form will prove to be of more interest to more people, and whether it will be more widely read, remains to be seen.

Ten-year Financial Plan.—Preliminary work, which it is hoped will ultimately result in a ten-year financial plan, is one of the principal activities of the Institute. Nearly two years ago a bond program covering bond improvements for five years was prepared by a special mayor's committee. The program, however, was incomplete and probably not sufficiently well-considered, and failed to be approved by the voters. A complete, well thought-out program covering operating expenditures and special assessments, as well as bond expenditures for a ten-year period, is of considerable importance in view of large expenditures to be necessary in the city during the next few years.

School Buildings.—Along similar lines the Institute recently presented to the Board of Education a plan under which it will be possible after four or five years to finance future building construction for the schools out of current revenues, with little or no increase in tax rates. Before the plan can be inaugurated it will be necessary to have one more bond issue of approximately $5,000,000 to take care of construction needs which have accumulated—in other words, to get caught up. The suggestion met with a favorable response, though no official action has been taken.

Permanent Registration.—Two bills in which the Institute was interested failed of approval by the state legislature at the session recently ended. The bill to provide for permanent registration of voters for Kansas City was so badly changed that its defeat was not cause for great sorrow. A complete and sound bill will undoubtedly be presented again at the next session, and there is some possibility that there will be support from St. Louis to include the city of St. Louis in its provisions.

Police Pensions.—A bill to permit cities to provide by ordinance a pension system for police, under the authority of a recent constitutional amendment, was defeated. The principal fight was not on this bill, however, but on three bills, introduced by the police departments of the large cities, which would have established an exceedingly expensive and unsound system. The greatest effort was placed on defeating these bills, and the effort was successful.

*

Municipal Reference Bureau of the University of Kansas.—*Municipal Insurance.*—The Municipal Reference Bureau of the University of Kansas, in coöperation with the International City Managers' Association and the League of Kansas Municipalities, has recently published a research report on municipal insurance, a survey of the practices of cities in insuring their property and liability risks. The survey covers the practices of 135 cities. It contains tables showing what property is insured, the amount of insurance carried, the cost of insurance and the losses sustained. The greater part of the report has to do with the methods of insuring. Recommendations are made as to the methods to be used. The study was made by O. F. Nolting, secretary of the Bureau.

Forms of City Government.—The Bureau is now working on a bulletin on city government in Kansas, which is to be published this summer. The study is based on the statutes of the state. It contains an organization chart for each form of city government in Kansas as provided by law, outlines the duties of city officials and contains other information of interest to students, civic organizations and citizens of Kansas.

*

New York National Institute of Public Administration.—*County Hospital.*—Dr. Carl E. McCombs is now engaged in the analysis of material gathered relative to county hospitals in the United States, as a member of the Committee on County Hospitals of the American Hospital Association. A report on this will be submitted to the Association at their meeting, probably in October, and will be published in the Proceedings of the Association for 1927. A preliminary report on county hospitals was published in the Proceedings for 1926.

Health Administration.—Dr. McCombs' book, *City Health Administration*, published by Macmillan, has just appeared.

Police Survey.—Bruce Smith has been engaged by the Illinois Association for Criminal Justice to make a survey of police administration in Illinois. This work will probably begin early in the fall.

*

Toronto Bureau of Municipal Research.—The analysis of the city of Toronto's annual budget has been in progress and is now completed. The resulting material is being prepared for use in a bulletin which will be issued during the course of the next few weeks.

The Bureau held its annual meeting on April 28. The annual report has been published.

The director spoke recently on the "Cost of Running a City" before the Bloor-St. Clair Business Men's Association.

NOTES AND EVENTS

I. GOVERNMENT ACTIVITIES AT HOME

EDITED BY A. E. BUCK

The Semiannual Budget Meeting of the National Government.—Since the national budget system was established in 1921, it has been the custom to hold budget meetings twice a year at Washington. The department heads, assistant officers, and bureau chiefs attend these meetings and are addressed by the President and the director of the budget. This group has been designated as the business organization of the national government.

The thirteenth of these semiannual meetings was held in Continental Hall on the evening of June 10. Addresses were delivered by President Coolidge and by General Herbert M. Lord, director of the bureau of the budget. The President spoke of the condition of federal finances and the apparent surplus for the current year ending June 30 of $599,000,000. This surplus, he stated, resulted in part from the sale of capital assets, such as railroad securities. The surplus for next year is estimated not to exceed $338,000,000. Such surpluses, the President asserts, have made tax reduction possible, and their application to the further reduction of the national debt has permanently reduced our interest charges. Due to the debt reduction and the funding operations conducted by the Treasury, interest payments next year will be $63,000,000 less than for the current year. This is pointed to as a most remarkable showing in relieving the people of the great burden of interest charges. From April 6, 1917 to June 30, 1927, this burden amounted to the stupendous sum of $8,318,517,388. In concluding his address, the President discussed briefly the preparation of the budget for 1929. He instructed the department officials in making up their estimates not to ask for more funds than they had during the current year, so as to keep the total estimates for the year within $330,000,000.

General Lord then spoke and as usual interspersed the dry facts of budgeting with several illuminating stories. He recounted the experience of the bureau of the budget in keeping down the expenditures of the government since its organization, pointing to the fiscal year 1924 as being the low-water mark after the war when the expenditures were reduced to a little over $3,048,000,000. He said the struggle to do this reminded him of the fight between a Scotchman and an Irishman. They were to fight until one of the two indicated he had had enough by saying "Sufficient!" Right royally they fought—backward and forward—up and down—in and out—blow upon blow—fistwork and footwork—for 5 minutes, 10 minutes, 15 minutes, 20 minutes, 25 minutes, and then the Scotchman faintly but distinctly gasped, "Sufficient!" Said the Irishman, "I had been thrying for the last tin minutes to think of that blamed word." General Lord told at length of the various methods that were being used to reduce the operating cost of the government and gave some general instructions for the preparation of the next budget estimates.

The interesting thing about these semiannual meetings is that they have assumed considerable importance in the budgetary procedure of the national government. They enable the President and the administrative officials to get together (sometimes leading members of Congress are present) and go over the financial policy of the government as related to its day-to-day operation. These meetings are held regularly in January and June; the proceedings are broadcast by several of the largest radio stations in the country and are reported and commented on by all the leading newspapers.

◆

Typhoid Fever Epidemic in Montreal.—The recent sharp outbreak of typhoid fever in Montreal resulting to date in several thousand cases of the disease and over 350 deaths, according to press reports from that city, adds another sad and inglorious chapter to the history of typhoid fever prevention in America.

A marked increase in the number of reported cases of typhoid fever in the city of Montreal was indicated early in March of this year. By the end of March, the outbreak had reached its height with about 160 cases reported in a single week. There was a rapid decline in the reported cases during April, and then, beginning in May, another sharp rise approximately to the same height as at the end of March. About the middle of May, the number of new cases began to decrease and, according to latest information, the epidemic is now under control.

From its beginning this epidemic was characteristic of milk-borne infections. The extremely rapid increase in the number of new cases, the localization of the disease to a particular group of the population served mainly by a large dairy company, and the general course of the disease during the epidemic period, warranted immediate and thorough investigation of all possible sources of milk contamination. Yet, according to the *Montreal Star*, "During the first three weeks of March, the health officials groped for clues which would lead them to the source of contamination. By March 29, the disease had reached its peak with 160 new cases reported. It was just a day prior to this that the officials had turned the attention to milk sources. . . . The disease ran rampant until the Provincial Department of Health took control of the situation in drastic fashion."

According to other information furnished the Review, the source of the infection was in a number of small dairies supplying the large dairy company previously mentioned, which were located about 30 miles from the city in an area drained by three small polluted rivers. What these polluted streams had to do with contaminating the milk at the dairies it is impossible to say. In view of experience in other similar epidemics, it seems likely that typhoid carriers engaged in handling milk were immediately responsible for the contamination of the milk supplies.

There are several important lessons for public officials in this epidemic. First, that nothing is gained and a great deal may be lost by attempts to minimize the seriousness of any outbreak of typhoid fever. Second, in cities having water supplies properly protected from pollution or made safe by treatment, contaminated milk should be the first thought in a localized epidemic, such as this one in Montreal. Third, there should be an adequate system of registration of cases of typhoid fever requiring complete epidemiological investigation of each case as a routine and not an emergency measure applied only in the face of epidemic. Fourth, no system of milk sanitation which does not guarantee the health of milk handlers can prevent a milk-borne epidemic.

It should be said in behalf of the municipal health authorities of Montreal who have been criticized for their failure to hold the disease in check, that they have been handicapped for many years in their efforts to prevent communicable diseases by a lack of coöperation, both on the part of practicing physicians of the community and the general public. The reporting of typhoid fever and other serious communicable diseases has always been poor in Montreal. There were in all probability a great many more cases of typhoid fever in the city than appeared in the official disease register, and, under such circumstances, efficient control of disease is obviously a most difficult matter. This emphasizes the importance of more determined efforts on the part of health authorities everywhere to require prompt and full compliance with the disease registration law by practicing physicians and others responsible for reporting disease.

C. E. McCombs.

*

Conference on Municipal Government Held at the University of Iowa.—The fifth Commonwealth Conference on Municipal Government and Administration was held on June 27-29 at Iowa City under the auspices of the University of Iowa. The program consisted of round table discussions and two or three public meetings. Round tables were held on five subjects, as follows: "Legal Status and Organization of Municipalities," "Police Power and the Administration of Justice," "Ownership and Regulation of Public Utilities." "Municipal Budget Making and Finance," "Better Government for Municipalities."

Brief addresses were given at the public meetings by leaders in the field of government and politics. The conference was conducted under the general direction of Professor Shambaugh of the University of Iowa.

*

Nebraska Standard State Zoning Law.—The recent session of the Nebraska legislature enacted a standard zoning law for the cities and villages of that state. This law was approved and became effective on April 15. It empowers the cities and villages of the state to regulate and restrict the height, number of stories, size of buildings and other structures, the percentage of lot that may be occupied, the size of yards, courts, and other open spaces, the density of population and the location and use of buildings and lands for trade, industry, residence or other purposes.

The law provides a general method of procedure and establishes a zoning commission to be appointed by the local legislative body. It also authorized the local legislative body to create a board of adjustment to handle cases of appeal, or to act in this capacity itself.

✣

Kansas City Gasoline Tax.—Since 1923 Kansas City has collected a tax of one cent per gallon on gasoline sold to gasoline dealers. Since that time approximately one and a quarter million dollars has been received from this tax. The purpose of the tax is to provide a fund to keep the streets in repair. While the ordinance establishing the tax provides that the money from it shall be expended currently for street repair purposes, it appears from a recent statement of the Kansas City Public Service Institute that a considerable balance remains unused in the fund. Several of the city streets require attention and motorists are complaining of the need of repair.

✣

The Supreme Court of the United States Again Upholds Zoning.—The right of a municipality to enact zoning regulations for the construction of buildings has been again upheld by the United States Supreme Court in a decision handed down May 16 in the case of Hector M. Zahn and A. W. Ross *versus* the Board of Public Works of the city of Los Angeles. This case was one in which the city had refused the plaintiffs' permission to erect buildings on property which had been zoned as residential. The suit was brought on the ground of violation of property rights under the fourteenth amendment.

In handing down its decision the court held that the issue involved in the Los Angeles case left it impossible for the court to say that the conclusions reached by the city officials "were clearly arbitrary and unreasonable." The court further held that in such cases, where a city planning board has been functioning for some time and preventing ambitious apartment house builders from putting up structures, the settled rule was not to substitute its judgment "for that of the legislative body charged with the primary duty of determining and answering the questions."

✣

The Passage by the Indiana legislature of the Sims Bill, commonly called the "Mayor Saviour," has been interpreted by many as a real boon to the city manager movement. The law which permits mayors to serve out their full terms, even though the citizens have voted in the city manager form of government, was bitterly opposed by friends of the latter from all parts of the state. There is a definite movement on in Indianapolis to secure city manager government under the optional charter law of Indiana. While the Sims law will postpone in most instances the time at which the new plan can go into effect in any city, it is deemed an unjust measure by many and is therefore adding fuel to campaign for manager government.

II. GOVERNMENT ACTIVITIES ABROAD

EDITED W. E. MOSHER

Organization of Public Servants.—Judging from the comments in British papers and magazines which deal with public administration, the central theme of discussion is Section 5 of the Trade Union Bill, recently introduced by the Baldwin Ministry. Section 5 provides that any trade union connected with the established civil service must be confined to members of the civil service and must not affiliate with any outside organization, trade union or political party. There is one proviso that lessens the stringency of this measure, namely, that a civil servant already having membership in a trade union will be allowed to continue his membership.

As the representative of the Cabinet stated in the parliamentary debate, the occasion of this provision was the willingness of three civil service associations to turn over to the general council of the Trade Union Congress with which they were affiliated the right to call a strike and to demand financial aid.

In defense of the civil servants certain members of Parliament maintained that in spite of the affiliations with outside organizations there had not been a strike for thirty years and no abuse of affiliations. The only strike on record took place in the Post Office Department in 1890, before trade unionism of this type existed. It was also maintained that civil service associations have no provisions in their rules whereby a strike may be called or strike pay collected.

There seems to be no question but that the bill will pass Parliament and be enacted into law. Editorial writers favorable to the public service are inclined to think that so far as the civil servants are concerned the provisions will not be carried out and the bill will ultimately prove to be futile.—*The New Civilian*, May 11, 1927.

*

The whole of the April, 1927, issue of the English quarterly, *Public Administration*, is devoted to a series of papers presented before the Institute of Public Administration in February. These papers deal with office management and personnel questions. They were contributed by men who have been connected with large enterprises, either of a public or private character. The first, presented by the assistant comptroller of a large electrical company, covers in a compact way various phases of personnel management from initial employment and placement to retirement. This paper is of special interest because of the methods discussed for increasing the output of clerical workers by means of work analysis and standardization. It is accompanied by exhibits which show the possibilities of improving output along these lines.

The director of establishments in the Ministry of Labor, W. W. Marsh, summarized the whole personnel situation as it is now being handled in governmental departments. He gave a bird's-eye view of the customary practices in the British government.

The third paper was read by an official of the London county council, Mr. W. H. Waddington. This discussion deals with the relation between the council and the staff of the council. One provision is particularly noteworthy, namely, that no employees are permitted to make appeals of any sort to individual members of the council. Such personal appeals are considered to be a breach of discipline. This does not preclude the possibility of contact between staff members and the council members because a joint committee of the two groups has been called into being for discussion of practically all conditions of service, discipline and the like.

Consideration is given to the extent to which the employees of the council are free to engage in public duties, other than official duties, and also to exploit their own inventions, patents and publish articles on service problems.

The most thought-provoking papers in the whole series, however, deal with promotion, first in industry and then in public service. Mr. Urwick, of the Rowntree Company, paid tribute to the progressive work which was being done in the United States toward making industry not alone a means of livelihood, but also a way of living. He cited rather extensively from recognized American authors, and laid, in every instance, special stress upon promotion as well as on the importance of more research, particularly along psychological lines. Mr. H. Broadley, one time member of the Board of Trade, spoke most emphatically upon the disrupting effects of the promotion problem and of the desirability of consigning it to the limbo of forgotten things. He expressed the conviction that in promotion is to be found the persistence of the nursery idea of rewards and punishments. He would eliminate all ideas of advancement and promotion from the work of the civil servant. In his judgment, persons in a clerical position are not fitted to become executives, and executives, even the good ones, are not fitted to become administrators. He vigorously attacks the waste of time and energy in connection with the promotion boards, now operating in the Whitley system of government. He denounces the annual report, "whereby heads of departments are required to certify whether each member of their staff was normal, subnormal or supernormal, in regard to the seven deadly departmental virtues." He scores the adoption of such ideas as a damning comment on the Whitley councils.

The alternate proposed to this system is promotion by external tests. These tests would be regular examinations, held under an appointments board, and would be based upon well organized programs of advanced study. Avoiding the word "promotion," he would advise "progress" from the lower clerical to the higher clerical and from the lower executive to the higher executive, entirely through seniority. He would thus "evolve a system of progress by seniority tempered by inefficiency rather than one of promotion by merit (a criterion almost impossible to define and difficult to apply) tempered by seniority."

The basic task is to find the right man for the right job, after a period of education and training and, thereupon, to settle once and for all the matter of income and progress so that the man may concentrate his whole energy on the job.

Mr. Newham, the town clerk of Croydon,

approached the question of promotion in somewhat the same spirit. He would approve promotion from one rank to another only on the basis of educational qualifications. That is to say, that an administrative officer could never become a professional officer without having increased his educational equipment. Mr. Newham would make it, however, comparatively easy for a man in a lower rank to gain the background necessary for such promotion. He outlines, for instance, a system of apprenticeship whereby the aspirant for promotion may take out articles with the town clerk or other officer in a neighboring town and later return to his own town for service in a subordinate capacity.

Mr. John Lee drew a parallel between the nationalized industries and large scale industries that deserves attention. In his opinion the two are about on the same level, in that rules and precedents and fixity of organization are the order of today. This system looks upon the worker as a standard unit, having a standard wage, called upon to produce a standard output, and having only a standard career to look forward to, thus "dethroning any idea of personal valuation." The reclaiming of a place for personal expression and initiative seems to him to be the key problem of large-scale management..

As remedies to this situation he proposes the following: (1) the establishment of a personnel department that would avail itself of modern psychological and organization methods, (2) the introduction of some method of award in the form of special increases of wage, (3) the assignment to the personnel department of the right of choosing people for work so that special personal qualities may be taken into account in the process of placement, (4) decentralization of authority, or rather, a real delegation of it, so that "living responsibility may come downward and that there may be increased sensitiveness upward." This would encourage the human-unit in positions of authority to grow in confidence and sensitiveness. In other words, those who are in the lesser executive positions are to have some real authority so that they may bring about those adjustments that are so necessary in dealing with human beings as such.

Mr. Lee sees the dangers of overorganization and such organization in his mind means a restriction on the scope of human individual expansion. This breeds discontent and inertia and is the bane of modern large-scale units. He cites, therefore, as the prime problem that has come to the fore in modern management the lack of consideration of human beings as such.

*

Municipal Research—A municipal research committee has been organized by the labor members of the Plymouth city council. It is anticipated that the committee will utilize persons with expert knowledge to make investigations into local problems, and full publicity will be given to the report of the committee. This is one of the first, if not the first, efforts to organize municipal research in this way in England.—*Local Government News*, May, 1927.

*

Cleaning up Slums.—A systematic program for cleaning up the slums of Dover, England, is gradually approaching realization. Although Dover is a town of only 40,000 people, it has already demolished seventeen streets and alleys and about 400 houses in a low-lying and unsanitary area. It has built a thousand-foot viaduct, forty-five feet wide, through this area which now forms the main approach to the town. In order to provide houses for people displaced by this scheme the town has built 460 houses in a location overlooking the sea. A further improvement is the provision of a bandstand facing the sea with a capacity of one thousand people. In periods of inclement weather sliding doors are provided so that the building may be entirely inclosed. The bandstand is used not alone for band performances but also for concerts and dances.

The city of Glasgow is now engaged in a third slum clearance inquiry which, if successful, would mean, in the aggregate, the elimination of 4,180 slum houses of the worst type.—*Municipal Journal*, May 6 and 13, 1927.

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THE LEAGUE'S BUSINESS

Secretary on Vacation.—Mr. H. W. Dodds, secretary of the League and editor of the REVIEW, is representing the National Municipal League in Paris at the Third International Congress of Administrative Science. He will visit England and possibly Scotland, returning in time to edit the September REVIEW. Meanwhile we extend our thanks to Mr. A. E. Buck, of New York who has come to our assistance and edited this number.

*

The Municipal Administration Service, operating under the auspices of the National Municipal League and the Governmental Research Conference, has issued a third pamphlet in its series of publications on administration. It is entitled "State Administrative Review of Local Budget Making" and was written by Wylie Kilpatrick, associate professor of research in government, University of Virginia.

*

Cartoon on City Manager Plan.—When one of the leading daily papers (New York World, June 20th) publishes a cartoon on the city manager plan at a time when no campaign, not even a charter scrap is being staged, the editor must be confident the man on the street knows something on the subject. This appears to the propagandists as a definite accomplishment, while the point of view of the cartoon suggests that city managers have been gaining favor with the artists.

Abe Martin

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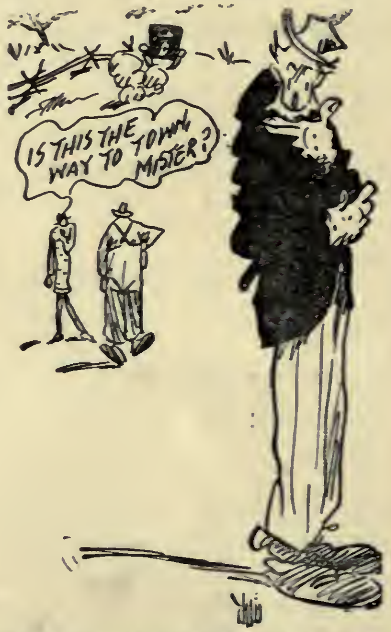
By Kin Hubbard


IS THIS THE WAY TO TOWN MISTER?

An' here's another thing—I'll bet a city manager wouldn't hire fellers t' work in th' parks that stood around most o' th' day usin' th' lawn mower fer a crutch.

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EDITORIAL COMMENT

Indianapolis Adopts City Manager Plan

The citizens of Indianapolis adopted the city manager plan on June 21 by a vote of 53,912 for the plan and 9,954 against it. The plan will go into effect on January 1, 1930, since recent state legislation, evidently in anticipation of an affirmative vote, provides that all city officials shall serve out their terms. Advocates for the plan will attempt to have a special act passed which will permit the new government to be set up at an earlier date.

Indianapolis, with a population in the neighborhood of 400,000, is the fifth large city to adopt the manager plan. The others are Cleveland, Cincinnati, Kansas City, and Rochester.

While the manager campaign was successful in Indianapolis, it recently failed in both Atlanta, Georgia, and Charleston, South Carolina. In neither of these cities, however, was it waged with the same determined effort that it was in Indianapolis.

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International Congress Held in Paris

The Third International Congress of Administrative Sciences was held in Paris on June 21–25. The first three days were given to conferences and discussions at the University of Paris and the last two days to receptions and excursions about the city of Paris. Five conferences were conducted on various administrative topics, among them being communal administration, intermediate administrations between the state and the commune, the central administrations, public functions and perfecting of administrative methods. Each conference was under the direction of some notable French administrator or professor.

Delegates were present at the Congress from nearly all the European countries. Among those present from the United States were John A. Fairlie, Leonard D. White, Lindsay Rogers, Luther Gulick and H. W. Dodds.

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Seattle's Woman Mayor

Bertha Knight Landes, the first woman mayor of Seattle, has just completed her first year in office. She is reported already to have effected greater economy in civic operations than her predecessors. Within three months she increased the receipts of the water department by $30,000, producing water at two cents a ton delivered. She has procured an eight-year extension of time on the $15,000,000 street railway bonds. Through her efforts economies of $146,000 have been effected in the municipal railway system, despite the fact that it has been a nonpaying enterprise for fifteen years. Municipal ownership seems to be Seattle's big problem, since the city is deeply involved in transportation, light and water enterprises. She is also credited with having the city park department finish the year without a deficit for the first time in several years.

Mrs. Landes came from New England and received her college education at the University of Indiana. She is the wife of Professor Henry Landes, dean of the college of science of the University of Washington and has lived in Seattle for the past thirty years. She was a member of the city council prior to her election as mayor.

Apropos this, we have been informed that Mrs. Mabel Jensen, a young woman of Berkeley, Calif., has been appointed manager of that city. Mrs. Jensen succeeds John N. Edy, who has been manager for some time. Berkeley is a thriving city of about 50,000 population, sufficiently large to test the managing ability of Mrs. Jensen. We hope she succeeds.

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What Is Wrong With Our State Legislatures? The Legislative Committee of the Citizens' League of Cleveland has prepared a report on the Ohio legislature, which has recently adjourned after a four months' session. This report presents an analysis of legislative procedure, discusses the amount of work done, touches upon some much needed constitutional changes, and points out some of the fundamental sources of weakness in the present type of legislative body. The committee states it was the consensus of opinion of those who watched the recent session that the legislature was seriously lacking in vigorous and forceful leadership and was unable to develop a legislative program. For example, in the matter of tax legislation, the majority party members met in caucus not less than twelve times and nearly every caucus reversed itself on the tax program agreed upon at the preceding caucus.

In the opinion of the committee, the general breakdown in the legislative procedure can be traced to four major causes as follows:

1. The failure of political parties to meet their obligations toward their party members in both houses.
2. The illogical and unworkable committee system.
3. The defects in the procedure and mechanics of legislation.
4. The disposition to barter and trade on bills.

The committee declares that legislative leaders need party support. It asserts that if political parties expect to command the respect and support of citizens, and if they hope to maintain the position of influence which they claim for themselves under a two party system, then they must have a policy and program and the courage to assume the responsibilities of a militant majority and a critical minority—responsibilities which alone will insure the success of the two party system of government.

It is recommended that the number of legislative committees be reduced. At the recent session there were 35 standing committees in the senate and 36 in the house. Many of these duplicate either in membership or scope of work. It is suggested that there be not more than nine or twelve committees in each house and that these be served by trained and experienced secretaries during the session. The present committees are criticised on the ground that they practically legislate for the whole body under the present procedure. The rules committee is styled "all-powerful," "undemocratic and unrepresentative," and it is suggested that some means be found to reduce its authority.

Certain changes in the legislative procedure are recommended. One is the early introduction of all bills; another is the installation of an electric roll call system; a third is the improvement of the printing and proof reading of bills.

The committee asserts that the trading on bills was unusually prevalent at the recent session. Many bills were enacted not because they had any merit in themselves but because of the bartering strength of their promoters. The log rolling tactics, the committee maintains, were accentuated by the conflict between the rural and urban members of the legislature. The committee is certain there is too much legislation at the present time and suggests a recodification of the state laws to eliminate all obsolete and unenforceable statutes.

In speaking of constitutional changes, the committee suggests that the question of establishing a single house system be given serious thought by the people before the next constitutional convention is called in 1932.

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See Ourselves As Others See Us

So many readers of the REVIEW are identified with the governmental research movement in one capacity or another that we reprint the following excerpt from a review of the *Proceedings of the Governmental Research Conference, Pittsburg, 1925*, published in the Financial Circular of the Institute of Municipal Treasurers and Accountants, printed in London.

> It is commonly supposed in this country that we have little to learn in the art of public administration from America. In so far as American ideas on local government in particular have appealed to British minds, they have been productive of keen controversy rather than general acceptance. For instance, the idea of a city manager on American lines is in many ways attractive; it is an idea not lightly dismissed by the "man in the street," but mistrusted by members of local government bodies, not to mention the various officials who rightly point out that the success of the system may depend more upon the individual than upon the principle of the system of concentrated control in one official.
>
> It may well be that in Great Britain we have had so much more experience of local government, and we have entrusted to local councils so many more duties, that as compared with America we find it difficult to restrain ourselves from regarding ourselves as experts and Americans as novices.
>
> This is a dangerous doctrine. It may be that our field of local government is both wider in scope and more truly democratic in character, and it is true that many of our local councils are rich in history and ripe in experience, but we are rather conservative in our conceptions of administrative and executive machinery, and not easily persuaded that the freshness of mind and the disposition to express it, so clearly discernible in American local government, is good medicine for us.
>
> Nothing could be more refreshing to the progressive mind, however, than a perusal of the volume now before us recording the proceedings of the Governmental Research Conference at Pittsburg in November, 1925. We must read the volume with a mind free from prejudice, and not be disconcerted either by reformed spelling or by colloquial language which would shock an alderman. After all, "thru" conveys the same idea to the mind as "through" or "throo" but not "threw." We do not usually apply to a paper on such a sober subject as local government the title "Over the goal line with municipal research." These are delightful delicacies to us, but signify "pep" or "punch" or whatever is the appropriate word in American circles.
>
> Yet the work of this conference is an object lesson which cannot fail to exert its influence not only on those who attended, but upon those who are privileged to consider this record of the activities of the organization by which the conference was instituted.

We would say without hesitation that no one interested in the administrative sciences could fail to profit from calm consideration of the paper entitled "How to prepare a ten year financial programme" which is a contrast with the general British practice of budgeting from year to year and not much foresight beyond twelve months ahead.

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Regulation of Interstate Motor Transportation

No more important question of administration is before the country today than that of the regulation of motor trucks and motor buses. The great increase in these means of public transportation has led a majority of the states during the past decade to place common carriers operating on public highways under the control of state commissions, usually the existing public service or railroad commissions, with extensive power of regulation and almost uniformly exercising the right to grant or withhold certificates of public convenience and necessity. In many instances this legislation has been applied to restrict the use of the highways by common carriers and to regulate competition by private carriers as well as by competitive public carriers. The invalidity of this legislation so far as it affects the freedom of interstate commerce was established by the Supreme Court in 1925 in *Michigan Public Utilities Commission* v. *Duke; Buck* v. *Kuykendall;* and *Bush & Sons* v. *Maloy.* In these decisions the court reaffirmed the exclusiveness of the federal jurisdiction over interstate commerce and swept overboard a long line of decisions in conflict therewith.

As the inability of our cities adequately to deal with the regulation of inter-rural traffic led to the centralization of control in state commissions to the partial or complete exclusion of local legislation, so the breaking down of the state control over commercial traffic must lead in the near future to federal regulation. The Cummins bill introduced in the senate in December, 1925, a general act to be administered by the various state commissions with a right of appeal to the Interstate Commerce Commission and sponsored by the National Association of Railroad and Utilities Commissions, failed of passage in the last congress. A similar bill, advocated as an emergency measure, giving the joint commissions of the states in interest power to regulate the traffic of common carriers through the New York-New Jersey vehicular tunnel and over the new Philadelphia-Camden bridge, passed the senate but failed to pass the house. No doubt both of these bills will be reintroduced in December and their consideration will have a prominent place in the coming session. In the meantime, the Interstate Commerce Commission is making an exhaustive study of this question to the end of making appropriate recommendations to congress.

So important has this question become and so intimately is it related to the whole subject of local regulation of traffic that we feel sure our readers will be interested in the article by Professor Kneier published in this issue on the existing legal phases of the subject.

C. W. T.

WASHINGTON'S DEFAULTED BONDS NOT TO BE REDEEMED

BY H. B. BICKNER

Washington Defaulted Bondholders Association

In Washington local improvement districts are in default on their bond issues to the amount of about $4,000,000, but due to the veto of Governor Hartley municipalities, which in truth issued the bonds, are not able to redeem them and thus restore their credit. How payment is escaped through arranged tax sales. :: :: :: :: :: :: ::

WITH seventy-four towns having local improvement district bonds actually or potentially in default, the situation in the State of Washington is said to be the worst in the history of the United States in the past twenty-five years. The Investment Bankers Association of America has recently compiled a list showing 56 towns in this northwest state with bonds already in default and 18 which are behind or slow and which are considered potentially in default. The amount totals approximately $4,000,000.

Ever since the fall of 1922, when the supreme court of the state of Washington decreed that the assessment liens securing bonds were wiped out through the sale of the property for general taxes, efforts have been made by bankers, bondholders, investment bankers, contractors and others to have the legislature correct the situation. The nearest to accomplishment was at the 1927 session when the Washington legislators passed a number of bills aimed to clear up the defaults, but Governor Roland H. Hartley vetoed all measures which would have enabled the various towns to redeem the defaulted bonds. However, other bills which were aimed to strengthen the bonds to be issued in the future were passed and subsequently signed by the governor and many city officials seem to be of the opinion that this will strengthen the market for improvement district bonds.

IS THERE A MORAL OBLIGATION TO PAY?

The investor, however, takes a different attitude, especially the one who owns a defaulted bond. It is his opinion that a repudiator or defaulter has no right to further credit until the defaults are remedied and that once stung he does not return for a second stinging in the same place.

Although the towns have the improvements—and they made them themselves and their city officials signed and issued the bonds—the principal argument advanced against the payment of the bonds is that they are in the hands of speculators. However, an investigation made by the Portland *Oregonian* a year ago in an exposé of the Washington situation failed to disclose a single speculator holding bonds and seeking legislation.

The bondholders contend that, even if all the bonds are owned by speculators, this argument has nothing to do with the payment of the bonds or the justness of the cause. They maintain that the cities have their money and it should be returned to them dollar for dollar with interest.

Bondholders further contend that, if

the principle of protecting the bonds to be issued in future is equitable, the same principle is applicable to bonds of the past, maintaining that the legislature has recognized this principle as to future bonds; therefore, the people of Washington should recognize and pay their similar debts of the past.

The position of many of the officials is that the bonds were simply a lien upon the property improved and were speculative at the time of issuance and that the bond purchaser should have taken cognizance of this at the time of purchase. On the other hand, the bondholders feel that this, if true, is a grave indictment against the cities of Washington and their respective officials, maintaining that the whole financial structure of our government is shaken when its subdivisions engage in the business of issuing speculative securities for corporate or any other purpose, allowing these securities to find their way into the hands of innocent holders for value.

EVASION THROUGH TAX SALES

Owing to the laxity of the laws which carry optional instead of mandatory provisions, many property owners have found it convenient to evade payment of their assessments by allowing the county to take the property for general taxes and subsequently buying it back from the county at auction for a few cents on the dollar. There have been many cases where property valued at several hundred dollars with assessments of a like amount have been repurchased from the county by the original owner — or in the name of a dummy — for as low as five dollars. This means, of course, that the owner has been able to get his property back improved with sewers, pavements, walks, etc. without paying a nickel for them, leaving the bondholder holding an empty sack.

Aware that citizens of some of their cities have tried to put this plan into effect, one or two counties in Washington have arbitrarily fixed a value under which the property cannot be sold and this has been the means of stopping some of the abuses. However, this has not worked to the advantage of the bondholder because once the property has been taken over by the county, the lien of the assessment is wiped out and he is without recourse.

MUNICIPALITY IS REALLY INVOLVED —WHO PAYS?

Improvements in Washington towns are made in two ways—either by petition of the property owner to the city council or by the city council directly by resolution. If, in the first instance, the majority of the property owners want the improvement, the city steps in and makes it in its own name and not in the name of individual owners. The duly elected mayor and city council hire the engineers, the contractors, and it is under their supervision that the work is done and in their names that the bonds are issued. They either turn them over to the contractor or sell them directly.

While the loss to the bondholder is considered large, the greatest damage is accruing to the state itself because of the destruction of the market for improvement bonds. Many of the opponents to legislation say that the defaults have had no bearing on the credit situation of the state or its various subdivisions, but the penalty which has attached to the property owner as a result of these defaults is said to be larger annually in increased costs and interest rates than the aggregate of the bonds in default. The president of the state Chamber of Commerce in a public address declared that the defaults were costing the property owners from 25 per cent to 50 per cent more in improvements. The contrast between Oregon and Washington is very marked. A small town in Oregon, where the bonds are backed by the faith and credit of the city, sell to yield investors around 4¾ per cent or, in other words, the property owners in the town borrow the money for public improvements at approximately 4¾ per cent. Compare this with a town of similar size in Washington. The bonds there carry a 7 per cent coupon; the contractor, to find a market for them, has to figure a little discount and, in recent years, as the story of the defaults has developed, the percentage in discounts has greatly increased. Statements have been made that contractors have to absorb all the way from 15 per cent to 40 per cent.

It can, therefore, be seen that it is the property owners—the tax payers—themselves who are paying the penalty and while the loss to a bondholder may be considered as immediate, the cost or loss or penalty, or whatever you wish to call it, to the property owner—the tax payer—is continuing and those who have given the matter study contend that this condition will prevail in Washington as long as the defaulted bonds are outstanding and no effort is made to redeem them.

There is much to be said—and much has been said—on both sides, but after the arguments are closed, the fact remains that there is a moral obligation, if not a legal one, upon the cities and towns of Washington to pay these bonds because the money secured from the bondholders was taken in good faith and used for making public improvements which the citizens of the various communities are using. If the innocent bondholder hadn't furnished the money to make the improvements, the many towns in Washington which boast of their miles of paved streets and other modern improvements would still be villages and mud holes. The bondholders contend that if a city in Washington is to accept responsibility for bonds to be issued in the future, then there is a responsibility to protect the past purchasers of bonds. However, Governor Hartley has been quoted as saying that the doctrine of *caveat emptor* is applicable to all bonds issued for improvement purposes heretofore. To quote from the Governor's message:

> They should buy these bonds at their own risk . . .

Various financial writers have refused to acknowledge the applicability of this doctrine, maintaining that the business world has long abolished this theory of operating and the last group in the civilized world which should be engaged in the business of selling spurious securities, are the sub-divisions of our government. The culpability or the responsibility for issuing the bonds in Washington is at the doors of the cities themselves and, in the opinion of the bondholders, they should be compelled by the most drastic mandatory legislation to pay in full.

ENGLISH HOSPITALS AS MUNICIPAL GROUPS

BY ANDRUE H. BERDING
Brasenose College, Oxford University

A scheme for the better coördination of British hospital facilities, public and private. :: :: :: :: :: :: :: ::

Something new in municipal control of hospitals, which will undoubtedly be of interest to American cities, is being planned in London, England, by Neville Chamberlain, minister of health. His plan is to consolidate all hospitals, privately or municipally operated, into one bureau directly within the purview of the ministry of health.

Mr. Chamberlain has sought and received the suggestions of various hospital executives in all parts of the British Isles. From the tone of the replies received from heads of these institutions there seems little doubt but that the minister's plans will shortly begin to materialize. Mr. Chamberlain broached his plan in a recent speech.

"Might not the private hospitals," he said, "in return for a certain subordination of their complete and absolute freedom to do what they liked, receive some further assistance than that which they get at present? Under a system of this kind, this central authority, upon which the private hospitals would be represented, would leave to each individual unit the widest possible freedom in the administration and conduct of its work."

GOVERNMENT AID AVAILABLE UNDER CONSOLIDATION

Private hospitals at present, the minister of health stated, have a need for 10,000 more beds. This need was emphasized in a recent report of the Voluntary (private) Hospitals Commission. This condition, the minister said, could better be met under consolidation, when government aid would become available.

"In the course of my work at the ministry of health," Mr. Chamberlain said, "I have each year been more and more impressed by the urgent need of looking at the hospital problem in the local areas as a whole and in close relation to the general health problem of these local areas. As matters now stand, it is common knowledge that there exist many instances of overlapping, duplication of staff, and waste of money, while at the same time beds are standing empty and patients are unable to obtain treatment without long delays. What is necessary to overcome these defects is a closer coördination of the institutions existing in any given area by some body having general powers of guidance over hospital policy in that area."

Mr. Chamberlain proposes that the hospitals, in return for representation on the central body, which would lay down the main lines of policy as to the use of the various institutions, should receive financial assistance in annual sums over a definite number of years. The minister's plan seems to call for grants from the local taxes.

Enthusiastic response has met Mr. Chamberlain's proposals. But this response has come in two widely different forms. Heads of hospitals and of hospital associations on the one hand have hastened to express their appreciation of the minister's plan, and have offered suggestions for bringing the consolidation about. Some of these suggestions will no doubt be incorporated into Mr. Chamberlain's general scheme. On the other hand, the minister of health has been accused of giving voice to socialistic ideas in promoting the taking of hospitals from private control. Mr. Chamberlain has denied this tendency.

"It seems to be implied," he said, "that it is my aim and the continuing policy of the ministry of health to secure the subordination of hospitals and of the medical profession to the ministry, in other words to secure what is frequently called a state medical service. I think it right to state that my policy is wholly opposed to the creation of a state medical service."

The response from executives of London and other British hospitals has been whole-heartedly in favor of the Chamberlain plan. Sir Arthur Stanley, president of the British Hospitals Association, announcing his concurrence in Mr. Chamberlain's ideas, has suggested that the plan used during the war be followed in coördinating the hospitals now. During the war the private or voluntary hospitals were grouped around one large distributing hospital. The hospital units were left to manage their own affairs to a considerable extent, but the "mother hospital" made the best use of their accommodations.

"A scheme of coördination can certainly be prepared by the hospitals," he said, "and I am sure the hospitals will fall in with a scheme produced by the minister of health. I believe much benefit might arise from organizing the hospitals of a district."

LOSS THROUGH LACK OF COÖRDINATION

Lord Knutsford, chairman of the London Hospital, has advanced an example of the inefficiency which non-coördination brings about. There are, he said, 200 beds empty at the Whitechapel Infirmary, none of which can be used by patients of the London Hospital.

Lord Knutsford made the suggestion that the ministry of health should give large grants of money to the proposed "mother hospitals." The minister, he said, should be given the right to nominate to the management of these "mother hospitals" representatives of the state and district served. As one suggestion toward financing the new project he proposed that every man should be made to pay to the state a sum of approximately 50 shillings before he reached the age of 25, to meet the hospital expenses. He suggested, in addition, that a sickness tax should be levied on all, that patients in the hospitals, except the poor, should be made to pay on a fixed scale, and that schemes of hospital savings associations should be created and put into working.

Sir Gilbert Barling, chairman of the Birmingham Hospitals Council, suggested that the coördinating body should be a part of the city council. T. F. Braime, chairman of the Leeds Infirmary Board, and Lord Stanmore, treasurer of St. Bartholomew's Hospital, London, have likewise expressed their support to the consolidation plan.

Mr. Braime, of Leeds, was somewhat pessimistic about the present condition of British private hospitals.

"I can only emphasize my view," he said, "and if Leeds, and I suppose other places, does not wake up and support local hospitals better than has been the case, there is nothing for it but the state to intervene, or the municipality."

Mr. Chamberlain likewise proposes that infirmaries and sanatoriums and infectious disease hospitals be included in the consolidation.

"Account must be taken of the so-called infirmaries now in the hands of boards of guardians," he said. "These are in many places really general hospitals, with a staff and an equipment which is comparable with that of a first-class private hospital, and to an increasing degree these infirmaries are being used by classes which can certainly not be described as destitute.

"It is a fact that there is a number of sanatoria and infectious disease hospitals in the hands of the county and county borough councils and the sanitary authorities, as well as the institutions in the hands of the guardians, which may very possibly pass under the control of the county and county borough councils."

The minister of health admits that there will be many difficulties to face before the amalgamation is finally consummated. "The task of adjustment," he said, "is one of great delicacy and difficulty, requiring long and careful study. But I look forward with great confidence to the possibility of progress in the near future."

The only critics who have come forward to oppose Neville Chamberlain's plans fear that he may be tending toward socialism because two of the ministers of health who preceded him became socialists.

CHICAGO'S DISPOSITION OF STREET TRAFFIC VIOLATIONS

BY GRANVYL G. HULSE

Albert Russel Erskine Fellow, Harvard University

As a class, the most serious cases receive the most inefficient treatment. The traffic bureau with system of automatic fines proves its worth. ::

The enforcement of street traffic law has been recognized as peculiarly different from other criminal law enforcement. In the violation of a large majority of street traffic regulations there is no moral turpitude involved and most authorities would take the violation of minor street traffic regulations out of the class of crimes. The Massachusetts Judicial Council suggests that these offenses shall no longer be crimes, but simply the subject of civil penalties, collectible by the clerk of the court. The Enforcement Committee of the National Conference on Street Traffic and Highway Safety, appointed by the secretary of commerce, said in its report of February 1, 1926, "While persistent and flagrant traffic violations should be vigorously punished, the ultimate objective should be elimination of violations . . . Traffic violation bureaus, with a schedule of penalties, can quickly and effectively dispose of minor infractions, which constitute a large percentage of all violations, thus giving the courts more time to deal with the more serious cases." The Enforcement Committee also recommended special traffic courts for the largest cities. It said, "Uniformity will be promoted if the traffic cases are handled by the smallest number of judges able to handle them."

With the complete reports of the above bodies in mind the author has been conducting studies of the methods used in various cities for handling street traffic violations. These studies are being conducted under the supervision of Dr. Miller McClintock, director of the Albert Russel Erskine Bureau of Street Traffic Research, Harvard University. The following is a condensation of the study made in Chicago in the summer of 1926.

PRESENT PROCEDURE IN CHICAGO TRAFFIC CASES

The traffic case begins with the arrest. The cases are of two kinds: those of a serious nature, such as driving while intoxicated, speeding or reckless driving; and minor violations, as listed on the back of the arrest ticket, including parking, lights, left turn, driving over curb, open muffler, and more than one hundred and fifty others of a similar nature.

In case of minor offenses the officer makes the arrest, serves a ticket known as the *violation notification*, and then releases the violator. The offender may then go to the traffic bureau and pay his fine as designated on the back of the ticket, or appear before the automobile court for trial. In minor infractions the officer does not make sure of the identification of the violator as carefully as he does in the serious cases. Consequently the violators often give fictitious names and addresses. This is discovered when the party fails to appear in court, and a warrant has been issued against them, but has not been served because of faulty identification.

The arrest for serious violations differs in that the offender must be able properly to identify himself, or go to the police station of the arresting officer and give bail. If the identification is satisfactory to the officer, the offender is given a summons which he must sign agreeing to appear for trial upon a designated day in the district police court in the territory in which the offense was committed. Persons arrested by the West Chicago Park police are cited to appear at the weekly meeting of the West Chicago Park Safety Commission.[1]

Traffic cases are handled by the municipal court in its various branches, with the exceptions noted above. These branches are: the automobile court, the traffic bureau, and the district police courts.

THE AUTOMOBILE COURT

The automobile court was organized in June, 1912. It was first known as the "speeder's branch," but a year later its jurisdiction was extended to include all street traffic violations. Even at that early date, the automobile problem was becoming a pressing one in the field of court activities. Persons arrested for traffic violations were required to come into court and wait for hours with all kinds of criminals until their cases were called. It was apparent that the street traffic violations were of a special character, and that some segregation should be made of these cases. Previous to the establishment of the "speeder's branch" "all violations of speed laws and other traffic laws were tried in the branch courts in the districts in which the offenses were severally committed. It was necessary to bring about a uniformity in fines and penalties in the several sections of the city. Further, by segregating these cases in one court it was possible to keep tab on the frequent and reckless offenders." Unfortunately the original segregation of speeding cases has been abolished, the speeders now being tried in the police district courts throughout the city. There is no attempt to keep a record of the repeaters, and no uniformity in sentence.

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[1] Lincoln Park put into effect a system similar to that of the West Chicago Park, late in the summer of 1926.

The automobile court, having been given jurisdiction over all traffic violations, continued to dispose of those cases until the docket became too large for one court to handle. When that came about the serious cases were again sent to the district police courts, the automobile court retaining only cases of a minor character. The automobile court continued to handle all the minor violations for the entire city until its docket became too crowded. The establishment of two and three automobile courts was tried, but the court considered it a waste of judicial time. The traffic bureau was then organized.

The automobile court has continued to the present day. However, the court today only handles the minor violations that refuse to pay at the traffic bureau, and the very few serious cases that arise in the central business district. It is deplorable that there is no attempt to handle the serious violations in any methodical manner, and that no record is kept of repeaters.

Having surveyed the class of cases the automobile court has handled, attention is called to the manner of their disposal, as shown by the following figures. During the period 1920 to 1926 the court disposed of 321,546 cases; of this number 117,052 were punished, leaving 204,494, or 64 per cent, who escaped punishment. The average fine given to the 36 per cent who were punished was $6.88. Looking further into the record of this period it is found that 74,889 cases were discharged for want of prosecution. The best year of the court as regards the proportion punished was in 1921, when 45 per cent were punished. The poorest year was 1925, when only 21 per cent of the total cases disposed of were punished.

The assignment to the automobile court does not seem to be a popular one. As many as twelve judges have presided over the court in one year, and in only one year has there been less than six. The constant change in the personnel of the court has discouraged any attempt to maintain a consistent policy of street traffic law enforcement.

THE TRAFFIC BUREAU

With the increase in the number of violations a more flexible court system became necessary and the model for such a reorganization was found in the traffic violations bureau of Detroit. The chief difference lies in the fact that in Detroit the bureau is operated as a branch of the police department, while in Chicago it is a branch of the municipal court. The Chicago traffic bureau established by the municipal court began operations on the 17th of March, 1926. For minor offenses within the jurisdiction of the bureau the court established a list of set fines. The bureau has rendered a substantial service by relieving the congestion of the courts, and by saving the time both of violators and police officers.

When a violation occurs the police officer gives the violator a ticket which informs him of the law or ordinance violated, and directs him to report to the traffic bureau within thirty-six hours to answer to charge alleged. On the back of this ticket is printed a list of laws and ordinances pertaining to motor vehicle violations by reference, to which the violator may ascertain the penalty attached. If the violator prefers to settle at the clerk's counter instead of going to court, he signs his ticket, thereby waiving trial, and admitting the violation charged. He pays an amount according to a prescribed schedule of penalties classified according to the importance of the offense. A visible index enables the operator to ascertain within a few seconds whether it is the violator's first offense. Upon payment the offender is given a receipt, and his name, address, license number, and type of offense are immediately typed on an index card and placed in the visible index. The violator is not obliged to answer in person for his violation, he may sign his ticket and send the prescribed amount in currency to the traffic bureau by messenger.

The following data show the work of the bureau. The period taken is from March 17 to August 1, 1926. During that period 33,320 violators came before the bureau and voluntarily paid $69,353.00 in fines and admitted their guilt. Within the same period 4,736 cases were tried in the automobile court, and 1,056 were fined. This shows that of the cases going before the court 79 per cent were discharged. In the automobile court the average fine was $5.36, in the bureau $2.08.

The record of the traffic bureau indicates a willingness on the part of the violator to come in and pay his fine. To insure the continued success of the bureau there must be full coöperation on the part of the judge in the automobile court. Laxity on the part of the court will encourage violators to demand a trial hoping they may talk the judge out of the fine. With 79 per cent of the cases now being discharged (during period in preceding paragraph), and only a fine of $5.36 being given, there is ground for this hope.

The following table indicates the comparative effectiveness of the bureau in measuring discipline to a large number of offenders:

Number Fined in Traffic Bureau and Automobile Court

Four months under new system. Voluntarily paying fine and admitting guilt	Number punished in other years, after trial					
	1920	1921	1922	1923	1924	1925
33,320	10,694	25,108	20,156	34,381	13,381	12,983

THE DISTRICT POLICE COURTS

The district police courts handle the serious traffic violations. These are disposed of with the other criminal cases, although certain days of the week are set aside more particularly for street traffic violations. There is no attempt at uniform policy, or the maintenance of violators' records. There is an excellent chance for politics to enter and attempt to influence the disposal of cases. *The most serious cases in the city are dealt with in the least organized manner.*

The district police courts handle a little over 30 per cent of the street traffic violations, and all these violations are classified as being of a serious nature. At the same time their convictions only total about 13 per cent of the total number of convictions. The next tabulation indicates the nature of the disposal of these serious violations.

The following table shows that 75 per cent of the cases coming before the district police courts were discharged in one way or another, that is, escaped

Disposition of Cases in District Police Courts, January to June, Inclusive, 1926

	Cases disposed of	Discharged	Fined	Jailed	Probation	Non-suit or nolled	Discharged, want of prosecution
Ordinance	15,396	9,973	3,328	136	14	319	1,626
Statutory	17,492	11,212	4,417	157	119	90	1,497
Total	32,888	21,185	7,745	293	133	409	3,123
Per cent of total cases disposed of	100%	65%	24%	.7%	.3%	1.2%	8.8%

punishment. The table would further indicate that the cases were not adequately prosecuted. The small percentage of punishment may be laid to the leniency of the courts, failure of police officers to produce the evidence necessary to convict, or refusal by one prosecution to follow up the cases.

THE PARK COMMISSION

We find still another agency handling street traffic violations, that is, the safety commission of the West Chicago Park. (The Lincoln Park Board has recently adopted a similar plan.) The West Chicago Park Safety Commission was adopted in July, 1924, because it was felt that the city of Chicago was doing little to educate the violators. The West Chicago park commissioners having the power to deal with these violations set up this safety commission composed of citizens of the park district to seek the coöperation of the motor vehicle drivers in making the streets of that district safer for all persons.

The safety commission is not a court and no punishment is given. If a violator fails to answer the citation to appear before the commission, he is arrested and sent to one of the city district police courts for trial. The members of the safety commission explain to the offenders the character of the ordinances and seek their assistance in making the streets safer. The keynote of its work is education and coöperation.

Examination of the accident and death records on the streets of Chicago show a decided decrease in the West Chicago Park District. The commission feels that its work is to a great extent responsible for this condition. They do obtain a great deal of coöperation from the police of their district, which undoubtedly aids in building their fine record.

COMPULSORY AUTOMOBILE INSURANCE

COMPENSATION, NOT LIABILITY INSURANCE NEEDED

BY ROBERT S. MARX

Attorney at Law, Chicago

Compel every automobile owner to procure a compensation insurance policy as a condition to obtaining a driver's license, victims of accidents to be compensated from the insurance fund according to fixed schedules and without regard to fault. :: :: :: :: :: :: ::

During the war it was part of my duty at the front to prepare a daily casualty report of the number of wounded and killed. At first this was a heartrending task, but it soon became a matter of routine statistics and we ceased to think of the individual tragedies involved. In a similar manner the American public have come to regard the daily casualty reports of those killed or wounded by automobiles as "mere statistics," and seem indifferent to the suffering and destitution which these accidents involve.

The total number of Americans killed and wounded in the World War was about 242,000. The total number of Americans killed and wounded by automobiles in 1923 was 500,000. The total number in 1924 was 630,000. Of this number more than 26,000 were killed and 15 per cent were children. In the last two years more than a *million* fellow Americans—men, women and children—*were killed or disabled by automobiles.* This year the number of fatal and serious injuries will exceed last year's terrible toll and the total tends to increase with the everincreasing number of motor vehicles upon the streets.

In some of these cases the injured are to blame; in some the automobilist; in others, both are to blame in varying degrees. In many cases it is impossible to place the blame, and frequently there is no negligence in a legal sense, but injury or death occurs by reason of weather conditions, latent defects or the inevitable risks of traffic. But from the social side, all of these cases mean that the burden of death or injury must be borne by the crippled or the dependent victims of the accident for whom the law at present offers little or no relief.

It will not do to say that this is an individual problem with which the state has no concern. The menace to the life and health of the inhabitants of the state is so great that it endangers every person who is compelled to use the public highways and justifies the state in taking action to protect the life and well-being of its citizens. The wholesale slaughter of our fellow citizens by automobiles must be stopped and means must be found to compensate the victims of these accidents. The situation is so serious and the peril so great that compulsory and fundamental measures are required *which will apply to every automobile owner and operator and which will protect and compensate every victim.*

Strict enforcement of the criminal law and more drastic safety measures will help reduce accidents, but regardless of the thoroughness of such measures, a tremendous number of accidents are certain to occur. My purpose is to plead the case of those who are certain to be injured and killed in the years to come as the result of automobile accidents and to urge measures for their protection and compensation.

We lawyers have a special and vital interest in the problem of automobile accident prevention and compensation. Three fourths of all civil jury trials are concerned with personal injury claims largely arising from automobile accidents. The major portion of the time of all civil courts in the trial divisions is consumed in the trial and disposition of these cases which also take the time of appellate courts to a greater extent than we realize. In Illinois it has been said that the expense of these trials last year exceeded the total amount of the verdicts returned and collected. Whether this is true or not, the fact remains that these cases are an enormous source of expense to the taxpayer and to the litigants and present a problem of grave concern.

PERSONAL INJURY SUIT NO REMEDY

The personal injury suit is futile as a means of doing justice. Yet a personal injury suit is the only remedy now available to the injured victim of an automobile accident or to his dependent family in case of death. For practical purposes the personal injury suit in automobile accident cases is frequently entirely worthless and at best it is slow, uncertain, wasteful and unsatisfactory. It is a survival under modern conditions of a legal system which has outlived its usefulness and its retention is working irreparable injustice.

The personal injury suit is no remedy at all if injury is inflicted by any one of the large number of motor vehicles employed by the United States, the state, county or municipality in the performance of governmental work. It is no remedy in the all too frequent case where the automobile disappears in the distance without identification, leaving behind a helpless victim. It is no remedy in the multitude of cases where the automobile is driven by a member of the family or an agent outside the owner's business.

But the most serious and frequent case, illustrating the futility of the personal injury suit, is where the automobile owner has neither insurance or property subject to execution.

Eighty per cent of all automobiles are sold on time. In these cases, the owners frequently own but a scant equity in a mortgaged car. Financial responsibility does not deter them from driving with reckless abandon. They care nothing because they own nothing. They laugh at the law and at the victims of their carelessness, who have no redress or relief. In this connection it may startle you to know that only *16 to 20 per cent* of all automobiles in operation are covered by liability insurance and *the remaining 80 to 84 per cent are not.* It may be assumed that the prudent and solvent owners carry insurance to protect them in case of accident and the careless and insolvent owners are included among those who do not. *Thus society has the least protection from the class of automobilists against whom it needs the most protection.*

However, even in the case of an identified, solvent defendant, subject to suit, the plaintiff has many obstacles to overcome. First, there is a long period of delay—although money is most needed immediately after an accident to pay hospital and doctors' bills and to pay for food and rent during the disability of the wage earner. The average delay between the filing of suit and final judgment in personal injury cases is often two and a half years. Then the burden of proof is upon the injured plaintiff, who may have been knocked unconscious or killed. This burden remains with the plaintiff although the uninjured automobilist usually has better facilities for sustaining the burden and frequently begins to prepare his defense while first aid is being administered to his victim. Not only must the injured plaintiff prove the negligence of the defendant by a "*preponderance* of the evidence" but if he was guilty of the *slightest* degree of contributory negligence, he is completely barred from recovery. Under this doctrine, if the defendant was *99 per cent* to blame for an accident and the plaintiff but *1 per cent* to blame, the plaintiff cannot recover a penny.

The very test of fault or negligence which is the basis of liability under our present system of law is itself faulty and impracticable in automobile accident cases. Sixty-five per cent of all automobile accidents occur at or near crossings. When two automobiles moving in opposite directions at from 25 to 40 miles per hour collide, the entire accident occurs in a split second. Except in glaring cases it is impossible even approximately to ascertain who was to blame. The result of a jury trial in the ordinary automobile accident case is a pure gamble both as to liability and damages. The verdict depends upon who secured the best or the most witnesses, who has the best lawyer, the personal prejudices of the jurors, the so-called "breaks of the trial" and the intangible "human element," and not upon a scientific ascertainment of who was negligent.

The same element of lottery applies to the amount of damages. There is no rule for the uniform assessment of damages except the whim or caprice of the jury. The result is that some verdicts are too high and some too low, but both the excessive and the inadequate verdict are alike counts in the indictment against the system. Nor are the damages awarded a *net* sum to the plaintiff. Although the law forbids the jury from considering the attorney's fee in determining the damages, from 25 to 50 per cent of the amount recovered must be paid to the lawyer of the successful plaintiff.

In brief, the law today is that the injured victim can recover damages provided he can (1) identify the automobile which injured him; (2) prove that the owner was subject to suit and that the driver was an authorized agent; (3) establish the negligence of the driver; (4) show freedom from the slightest degree of contributory negligence; (5) outlive a delay of about two and half years; and provided that (6) the defendant is good upon execution and (7) "*error*" does not intervene.

ANALOGY OF WORKMEN'S COMPENSATION

It must be admitted by every honest student of the question that the personal injury suit is neither an adequate or efficient remedy when all conditions to recovery concur and that in the countless cases where the automobile owner is "execution proof" it is a mere form without substance. A similar situation with respect to workmen who were injured and killed in their employment led us to abolish the personal injury suit as applied to such accidents and to adopt workmen's compensation. The difficulties in the path of the automobile victim are greater than they were in the case of the injured employee who was at least sure of a solvent defendant and friendly witnesses while the automobile victim is sure of neither.

There is no sound reason why the principles of compulsory compensation insurance which have been so successfully applied with respect to industrial accidents cannot be applied with equal success to cases of injury and death arising from automobile accidents. Tersely put, my proposal is to compel every automobile owner to procure a policy of compensation insurance as a condition precedent to obtaining a license to drive an automobile upon the public streets and to pay a premium for such policy to an insurance fund to be used to compensate the victims of accidents arising from the operation of automobiles according to fixed schedules and without regard to fault.

For example, there are upwards of 1,400,000 licensed automobiles in Ohio. If every owner were required to pay a premium of fifteen dollars per car upon application for his license, an insurance fund of $21,000,000 would be created. Upon the basis of last year's figures, this amount would be sufficient to pay $6,500 to the dependents of every person killed by automobiles and to pay $4 per day during disability to every adult injured by automobiles and $2 per day during disability to every injured child, and to furnish hospital care and medical attention in all cases and still leave an ample reserve.

Twenty-one million dollars is more than the total sum collected from Ohio employers for workmen's compensation in 1924. The amount of this fund was $13,500,000, and from this fund, the industrial commission paid 933 death claims; allowed compensation in 58,354 cases and provided hospital and medical care in 122,323 additional cases.

When workmen's compensation was first proposed it met the determined opposition of selfish interests, but in the past fifteen years this system has been written into the law of the land, and no one seriously proposes to return to the old system of employer's liability via the personal injury suit. The same opposition and the same arguments which were met and overcome in the fight for workmen's compensation have been revived against the proposal for compulsory automobile insurance, but this opposition is being overwhelmed by the rising tide of public opinion which demands action to stop accidents and to protect the injured and the dependents of the dead.

MASSACHUSETTS LAW—RATES REDUCED

Recent endorsements of compulsory insurance by the public press, by state legislatures and by safety committees are encouraging signs of the times. Legislative commissions are now investigating the subject in several states, and compulsory insurance laws have been proposed in some thirty-odd states. Massachusetts has already adopted a state wide compulsory liability insurance law which has been held constitutional by the supreme court of Massachusetts. (*In re Opinion of the Justices*, 147 N. E. 681, June 9, 1925.) The Massachusetts act requires every automobile owner to satisfy the motor vehicle commission of his financial responsibility by providing either (1) a liability insurance policy; (2) an indemnity bond; or (3) a deposit of cash or collateral in the amount of $5,000 to secure the payment of any judgment which may be recovered on account of personal injury or death on a public way of the state of Massachusetts up to $5,000. The law contains ample provisions for the regulation of maximum rates to prevent unreasonably high rates for insurance, and provides for an appeal by an applicant for insurance whose application is refused or whose policy is cancelled by the insurance company. The law became effective January 1, 1927. The rates established by the commissioner at the outset were from 5 to 20 per cent lower than the voluntary rates which prevailed prior to the effective date of the compulsory law. The operation of the law has resulted in insuring the financial responsibility of all motorists in Massachusetts and in eliminating from the highways of that state uninsurable or bad risks. It is too early to draw any conclusion from the operation of the law, but there is every reason to believe that it will not only result in a very real reduction in the premium rates, but also in a reduction in the number of accidents arising from the operation of automobiles.

Similar laws have been in force in Denmark and Switzerland for a number of years with marked success. Practically all states have applied the principle of compulsory insurance to motor busses, and in almost all states there are now laws requiring motor busses and taxicabs to carry liability insurance in varying amounts. The constitutionality of these laws has recently been sustained by the Supreme Court of the United States in *Packard* v. *Banton*, 264, U. S. 140 (1924).

The proposed compulsory automobile insurance laws would simply extend the requirements of insurance which are now made of public carriers such as motor busses and taxicabs to private motor vehicles. However, there is wide difference between the *liability* insurance laws, of which the Massachusetts law is the best type, and *compensation* insurance laws, of which the workmen's compensation insurance law and the proposed New York motor vehicle law are the best examples.

BUT LIABILITY INSURANCE IS NOT COMPENSATION

The difference between compensation insurance and liability insurance is fundamental. Liability insurance only operates to guarantee the payment of a judgment, if liability is established as the result of a personal injury suit, up to fixed limits usually not to exceed $5,000 for one death or injury. Liability insurance does not secure compensation to the injured or the dependents of the dead. On the contrary, it frequently makes it more difficult for them to recover compensation by forcing them to engage in an unequal contest with a powerful insurance company. Liability insurance will not materially help the victims of automobile accidents. It will innure largely to the profit of insurance companies and to attorneys specializing in personal injury claims.

Instead of relieving congestion, liability insurance will add to the flood of personal injury cases which now clog the dockets. Liability insurance will perpetuate the evils of the liability system in place of abolishing these evils. It was largely because of the abuses of employer's liability insurance that the present plan of workmen's compensation insurance was adopted.

Although the advantages of a compensation insurance law far outweigh the advantages of a liability insurance law, the liability insurance laws constitute a first step in the direction of compelling financial responsibility and of securing compensation for the victims of automobile accidents. With all of the defects which may be attributed to such laws, they at least cure the evils which result from the driving of automobiles by financially irresponsible and insolvent motorists.

The opposition to compulsory automobile insurance is largely based upon the fear that such laws will lead to state insurance. There is no ground for such fear. The Massachusetts act leaves the writing of the insurance or of the indemnity bond strictly in the hands of private companies. Connecticut also has a compulsory law which requires the motorist to take out insurance after he has had one accident. This also leaves the writing of the insurance in private hands. Our experience with workmen's compensation insurance shows that such insurance can be written exclusively by the state or by the state and private companies in competition or by private companies exclusively. In the majority of states the private company is the principal carrier of the insurance. This is not the time or place to debate the question of who the carrier of such insurance should be. That is a legislative question to be determined after the policy of compelling automobile owners to compensate those who are injured or killed by their machines is agreed upon.

THREEFOLD ADVANTAGES

The advantages of the proposed plan are best observed in its threefold relation to (1) the *victim;* (2) the automobile *owner* and (3) the general *public.*

(1) From the standpoint of the victim compulsory compensation insurance guarantees to every person who is injured and to the dependents of every person who is killed in an automobile accident, immediate hospital and medical care, and compensation commencing after the first seven days of disability based upon carefully worked-out schedules. This sum would be net and without deduction for court costs or attorneys fees. It would be paid without regard to fault in all cases except where injury is self inflicted or arises from wilful violation of law.

(2) From the standpoint of the automobile owner, compensation insurance will provide more complete protection at a lower cost than the present system of liability insurance. The average premium for liability insurance in many states is $34 per car with liability limited to $5,000 in case of one death or injury. The estimated cost of compulsory compensation insurance is about $15 per car. Two-thirds of the premium paid for liability insurance is used to pay commissions, overhead, administration and the expense of fighting law suits, and less than one-third goes to those who are injured by accidents. Under the proposed plan of compensation insurance approximately 90 per cent of the total premium would be used to compensate the injured. In fact, the administrative cost of workmen's compensation insurance in Ohio is less than 5 per cent of the total premium collected.

(3) The benefits to the general public are equally apparent. The expense to the taxpayer in maintaining courts and juries, three-fourths of whose time is spent in hearing personal injury cases, and the economic loss involved in the attendance of witnesses at these trials, which cost approximately $300 per day, would be entirely saved. The burden now borne by public and private charities in furnishing hospital care, medical attention and relief to crippled wage earners and dependent families will be placed where it rightfully belongs, namely, upon the operators of automobiles who cause the damage.

The advantages to society such as enabling children to continue in school instead of being forced into industry when the father is killed in an automobile accident, etc., are too infinite in character to be completely catalogued.

The chief advantage of the proposed plan to the public is that *it will enable society to control accident prevention and to scientifically eradicate the causes of automobile accidents.*

ACCIDENTS WILL BE REDUCED

Under the proposed plan every accident will give rise to a claim for damages and will necessarily be reported upon forms prescribed by law to some central authority. We will then know three things which are now unknown, because comparatively few accidents are reported and these reports are not uniform or made to a central authority.

We will know definitely (1) the *persons* who cause accidents; (2) the *places* where accidents occur and (3) the true *causes* which contribute to accidents. With this information we can eliminate the habitually careless drivers by revoking their licenses and can intelligently correct the bad road conditions where accidents occur and scientifically legislate against the mechanical or other causes of accidents.

Experience with workmen's compensation has proved that insurance of this character is a powerful factor in reducing the number of industrial accidents. The recent amendment of the Ohio constitution requires that a definite percentage of the premiums collected from employers shall be set aside for safety work, and a similar provision with respect to automobile insurance would furnish the working capital necessary for a campaign of education to prevent careless driving.

The chief objection urged by the opponents of compulsory insurance is that it would tend to relieve drivers, owners and pedestrians of responsibility and thereby increase carelessness. This argument is fallacious. Compulsory insurance would not relieve any class of the community of their present responsibility to obey the criminal law. Automobile owners who carry liability insurance are already relieved of civil responsibility by the insurance companies. Automobile owners who do not carry insurance are usually execution proof and have no fear of a law suit. Hence, the proposed plan would not relieve the automobile owner of any civil responsibility which now tends to deter him from negligence, and it is absurd to suggest that a pedestrian would have any greater tendency to stop in front of a moving automobile because of the *partial* compensation provided by law.

If it is not thought desirable to relieve the owner of all responsibility it is a simple matter to provide in any plan of compulsory insurance that the automobile owner shall pay the first one hundred or two hundred dollars of any damage inflicted by his machine. A similar provision is contained in most collision insurance policies. By making the automobile owner a co-insurer and responsible to this extent, any tendency toward carelessness will be curbed.

This emergency demands prompt social and legal action. Compulsory automobile insurance will go far toward stopping the increasing toll of death and injury and will bring compensation into hundreds of homes now rendered desolate and destitute by fatal accident or disabling injury.

THE REGULATION OF INTERSTATE MOTOR TRANSPORTATION

BY C. M. KNEIER
University of Texas

How far can the states go in the absence of legislation by congress?

WITH the rapid development of motor bus and motor truck transportation the question of the regulation of such companies when operating across state lines has arisen. The jurisdiction of the Interstate Commerce Commission has not been extended to include such carriers;[1] in the absence of legislation so extending the jurisdiction of the commission are they subject to state regulation?

In the *Minnesota Rate Cases*,[2] Justice Hughes in discussing the relation between the states and the national government in the regulation of interstate commerce, laid down the principle that "as to those subjects which require a general system or uniformity of regulation the power of Congress is exclusive" while in "other matters, admitting of diversity of treatment according to the special requirements of local conditions, the States may act within their respective jurisdictions until Congress sees fit to act." The court pointed out that when congress does act "the exercise of its authority overrides all conflicting state legislation."

In the absence of congressional action, have the courts, and more particularly the Supreme Court of the United States, considered the regulation of motor bus and motor truck companies doing an interstate business to be one of "those subjects which require a general system or uniformity of regulation," or have they considered it to be one of the matters "admitting of diversity of treatment according to the special requirements of local conditions"? Recent decisions of the courts tend to indicate what is to be their attitude on this question.

REQUIREMENT OF A CERTIFICATE OF CONVENIENCE AND NECESSITY

The question of the power of a state to require a certificate of convenience and necessity of a motor truck company doing only an interstate business was presented to the United States District Court for the Eastern District of Michigan in a case before it in 1923.[3] The law in question provided that no person or corporation might engage in the business of transporting persons or property for hire over the public highways of the state over fixed routes until it had obtained a permit from the Michigan public utilities commission, which was to be issued in accordance with public convenience and necessity.[4] The requirement of a certificate of convenience and necessity was held to be a reasonable regulation under the police power, probably incidentally affecting commerce, but not constituting regulation or placing any undue burden thereon.

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[1] The Mid-West Motor Transport Conference at its session at Chicago on May 28, 1925, passed a resolution urging legislation by congress providing for the public regulation of interstate freight and passenger traffic handled by motor vehicles. Various bills were introduced into the Sixty-ninth Congress, first session, but all of them failed of passage. Also see *United States Daily*, June 13, 1927.

[2] 230 U. S. 352 (1913).

[3] *Liberty Highway Company* v. *Michigan Public Utilities Commission*, 294 F. 703 (1923).

[4] *Public Acts of Michigan*, 1923, Act 209.

When this question was brought before the supreme court of Montana in 1924 it held that all reasonable regulations with reference to the matter of "registration, license fees, and the like" were within the power of the state, even though applied to automobiles engaged in interstate traffic as well to those operated exclusively within the state.[1] In this case the court held that the board of railroad commissioners had acted arbitrarily and without sufficient evidence before it to justify its decision in refusing to grant a certificate of convenience and necessity to the carrier involved in the case. But the power to require such a permit of an interstate motor carrier was upheld by the court.

The constitutionality of a law of the state of Washington requiring such certificate for a motor bus company engaged exclusively in interstate commerce was submitted to the United States District Court for the District of Washington in a case before it in 1922.[2] The company, which operated between Seattle and San Francisco, doing no intrastate business, attacked the validity of the law on the grounds that it constituted an unreasonable burden on interstate commerce. The court, after pointing out that the state of Washington was spending millions of dollars on highways, held that while congress has been given the power to regulate interstate commerce, "it has not done anything which takes from the state the control of the highway within its boundaries." The fact that interstate commerce by motor bus may be affected by state legislation does not conflict with the commerce clause of the constitution according to the holding of the court, if such regulation is reasonable and made common to all.

This was a suit in equity, the company seeking to enjoin the enforcement of the act as against itself. The court dismissed the action and suggested that the company comply with such provisions of the act as were "unquestionably within the police power of the state."

The validity of this Washington law was again brought before the United States district court of that state in 1923 in a case where a carrier engaged exclusively in interstate business had sought to comply with the provision of the law requiring a certificate of necessity and permission to operate buses over the public highways of the state but such certificate had been denied by the director of public works, on the grounds that the territory was already adequately served.[3] The court in sustaining the validity of the law held that it was "not designed to regulate interstate commerce," but that its purpose was "of peculiar local concern, that of promoting safety, convenience, welfare, health, and comfort of the public in the use of the highways constructed and maintained at public expense." The use of the highways of the state as a common carrier was held to be not a *right* but a privilege which might be regulated by the state "in the absence of legislation by the Congress."

The case was appealed to the Supreme Court of the United States and thus the constitutionality of state laws requiring a certificate of convenience and necessity of motor transportation companies, engaged exclusively in interstate commerce, was in 1925 presented it for the first time.

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[1] *Interstate Transit Company* v. *Derr*, 228 Pac. 624 (1924). For the statute involved in this case see *Laws of Montana*, 1923, ch. 154.

[2] *Interstate Motor Transit Co.* v. *Kuykendall*, 284 F. 882 (1922).

[3] *Buck* v. *Kuykendall*, 295 F. 197 (1923).

The decision of the lower court was reversed, the Supreme Court holding that as applied to one desirous of using the highways exclusively in interstate commerce, the law was a violation of the commerce clause of the constitution.[1] Justice Brandeis, who delivered the opinion of the court, pointed out that appropriate state regulations adopted primarily to promote safety upon the highways and conservation in their use are not obnoxious to the commerce clause, where the indirect burden imposed upon interstate commerce is not unreasonable. The Washington law was held to be of a different character; its primary purpose was "not regulation with a view to safety or to conservation of the highways, but the prohibition of competition. The law was a regulation not of the use of highways, but of interstate commerce. Its effect upon such commerce is not merely to burden but to obstruct it. Such state action is forbidden by the Commerce Clause."

In another decision handed down on the same day (March 2, 1925), in an opinion delivered by Justice Brandeis, the constitutionality of a Maryland statute, which required common carriers of merchandise or freight by motor vehicle to secure a permit from the public service commission before using the public highways of the state, was considered.[2] The commission was charged with the duty to "investigate the expediency of granting said permit" when applied for, and it was authorized to refuse the same when it deemed the granting of such permit "prejudicial to the welfare and convenience of the public." The law was declared to be unconstitutional as applied to one desirous of using the highways of the state as a common carrier in exclusively interstate commerce.

This case differed from that of *Buck* v. *Kuykendall*, *supra*, in that, (1) the Maryland highways in question had not been constructed or improved with federal aid; and (2) the permit was refused by the commission, not in obedience to a mandatory provision of the state statute, but in the exercise of broad discretion vested in it. The court held that neither of these differences were of any legal significance and that the Maryland statute, as did that of Oregon, invaded a field reserved by the commerce clause for federal regulation.

The supreme court of Ohio in a case decided in December, 1925, considered the power of the public utilities commission of Ohio to grant a certificate of convenience and necessity to an interstate carrier. In this case the power of the commission to refuse such certificate was not considered, but rather its right to grant such permit to an interstate carrier was questioned by an intrastate carrier, over whose route the interstate carrier would operate. The court, after referring to the two decisions of the Supreme Court of the United States discussed above, upheld the constitutionality of the act, on the ground that "motor transportation engaged in interstate commerce is subject to all regulations which do not impose unreasonable burdens upon interstate commerce," and that the permit granted in this case imposed upon the party so certificated "the usual regulations imposed upon all persons and firms engaged in intrastate commerce within the state."

The supreme court of California in a case before it in 1925, after the decisions of the Supreme Court in *Bush* v. *Maloy* and *Buck* v. *Kuykendall*, *supra*, had been rendered, held the provisions of the Auto Stage and Transportation Act of that state, requiring motor transportation companies to obtain from the railroad commission a certificate of public convenience and necessity before using the highways of the state to be unconstitutional when applied to a carrier engaged solely in interstate commerce, being an invasion of the field reserved to the national government by the commerce clause.[1]

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[1] *Buck* v. *Kuykendall*, 267 U. S. 307 (1925).

[2] *Bush Company* v. *Maloy*, 267 U. S. 307 (1925).

The supreme court of Rhode Island has also followed these decisions of the Supreme Court, and held that a certificate cannot be withheld from a person about to engage in interstate commerce on the ground that the public is being adequately served and that public convenience and necessity do not require the contemplated service, for "a state cannot regulate competition in interstate trade."[2] Referring to the failure of congress to act the court held that "the subject admits of and requires uniform regulation, it is exclusively within the national domain, and non-action by Congress indicates its will that such commerce shall be free and untrammeled."

STATE MAY MAKE REASONABLE POLICE REGULATIONS APPLICABLE TO INTERSTATE MOTOR CARRIERS

These decisions by the state and federal courts seem to have established the principle that a state may not refuse a certificate of convenience and necessity to a company engaged in interstate commerce; this would be a prohibition of competition, which would not merely burden but obstruct commerce, a thing forbidden by the commerce clause of the constitution. Having granted such certificate to an interstate carrier by motor bus or motor truck the question next arises as to how far the state may go in regulating such carrier before its action will be considered an undue interference with interstate commerce.

The Supreme Court of the United States has pointed out that appropriate state regulations adopted primarily to promote safety upon the highways and conservation in their use are not obnoxious to the commerce clause where the indirect burden imposed upon interstate commerce is not unreasonable.[3] A law authorizing a state public utilities commission to specify the route over which motor vehicles engaged in interstate commerce may operate, the number of passengers it may carry at one time, and the service rendered, if reasonably exercised for public safety and order and the conservation of the highways, without placing unnecessary regulations upon interstate commerce, have been held to be not contrary to the commerce clause of the constitution.[4]

The Supreme Judicial Court of Massachusetts has held that a statute of that state which provided that the operation by a non-resident of a motor vehicle on a public highway in that state was equivalent to an appointment by such non-resident of the registrar, or his successor in office, to be his attorney upon whom might be served all lawful processes in any action against him growing out of an accident or collision while operating in the state, was not contrary to the commerce clause, but that it was a police regulation of reasonable nature.[5]

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[1] *People* v. *Yahme,* 235 Pac. 50 (1925).

[2] *Newport Electric Corporation* v. *Oakley,* 129 Atl. 613 (1925).

[3] *Buck* v. *Kuykendall,* 267 U. S. 307 (1925). Also see *People* v. *Yahme,* 235 Pac. (Cal.) 50 (1925).

[4] *Newport Electric Corporation* v. *Oakley,* 129 Atl. (R. I.) 613 (1925).

[5] *Pawlaski* v. *Hess,* 144 N. E. 760 (1924). This provision of the Massachusetts Law was upheld by the Supreme Court of the United States in the Case of *Hess* v. *Pawlaski,* 47 Sup. Ct. Reporter 632 (May 16, 1927).

REGULATION OF MOTOR TRANSPORTATION OVER ROADS BUILT WITH FEDERAL AID

The question has been brought before the courts as to whether a state may impose regulations upon interstate carriers by motor car, when the roads over which such carriers operate have been built with federal aid. The Supreme Court of the United States has held that the same principles hold whether the highway has or has not been constructed with federal aid. The federal aid legislation is of significance only in that it makes clear the purpose of congress that state highways shall be open to interstate commerce.[1]

May the states go so far as to impose a tax upon interstate carriers by motor bus, when such roads have been built with aid from the national government? In considering this question the United States District Court for the Eastern District of Michigan has held that the provision in the Federal Highway Act of 1921 which provides that "all highways constructed or reconstructed under the provisions of this act shall be free from tolls of all kinds" was not intended to deprive the state of its power to enact reasonable regulations in the exercise of its police power.[2]

LICENSE FEES IMPOSED UPON AN INTERSTATE CARRIER

In considering the extent to which a state may go in the exercise of its police power in making regulations for the public safety, the question has arisen as to the power of the states to exact privilege fees from interstate carriers by motor car.

The Supreme Court of the United States in a case before it in 1915 considered the question of the exaction of fees from a private automobile, rather than a common carrier, when passing through a state.[3] The court upheld the constitutionality of a Maryland law requiring the registration and licensing of automobiles, even as applied to non-residents passing through the state. Such state regulations were held to be primarily for the enforcement of good order and the protection of those within its jurisdiction but also for the further evident purpose of securing some compensation for the use of facilities provided at great cost. Requiring the registration of such motor vehicles and the licensing of their drivers and charging reasonable fees therefor, was held to be but an exercise of the police power, and to not constitute a "direct and material" burden on interstate commerce. "The amount of the charges and the method of their collection are primarily for determination by the state itself; and so long as they are reasonable and are fixed according to some uniform, fair, and practical standard they constitute no burden on interstate commerce."

Again in the case of *Kane* v. *New Jersey*,[4] a law of the state of New Jersey requiring non-residents to pay a fee for the operation of motor cars in that state was before the Supreme Court. Both the driver's license fee and the registration fee were graduated varying with the horsepower of the car. The court in considering this statute held that the power of a state to regulate the use of motor vehicles on its highways "extends to non-residents as well as to residents. It includes the right to exact reasonable compensation for special facilities afforded as well as reasonable provisions to ensure safety. And it is properly exercised in imposing a license fee graduated according to the horsepower of the engine."

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[1] *Bush Co.* v. *Maloy*, 267 U. S. 317, 324 (1925).

[2] *Liberty Highway Co.* v. *Michigan Public Utilities Commission*, 294 F. 703 (1923).

[3] *Hendrick* v. *Maryland*, 235 U. S. 610 (1915).

[4] 242 U. S. 160 (1916).

The question arose as to whether the courts would extend this principle to interstate common carriers by motor bus and motor truck.

The United States District Court for the Eastern District of Michigan in considering a law of that state which required an interstate carrier by motor car to pay, in addition to the motor vehicle tax required by general law, a privilege fee of one dollar for each one hundred pounds of weight of each motor vehicle held that while a state might not require a license for the privilege of engaging in interstate commerce as such, they might reasonably regulate under their police power the use of their public highways, and to that end require a license and impose a reasonable charge therefor, even if thereby interstate commerce is incidentally affected, provided that such regulation, license, and charge, bear a reasonable relation to the safe and proper maintenance and protection of such highways and do not burden or obstruct interstate commerce.[1] The amount of the privilege tax for the use of the highways need not necessarily be limited, the court held, even as to those engaged in interstate commerce, to the actual cost of such regulation, but may also, as was apparently the case here, include reasonable compensation for the use of the highways and fair provision for anticipated repairs and improvements thereon.[2]

The supreme court of Minnesota has also upheld the constitutionality of a law of that state which required a carrier engaged in interstate commerce by motor truck to register his car in Minnesota and pay a tax thereon. In upholding the validity of the act as applied to interstate commerce the court held the tax to be in the nature of a fee for a privilege conferred.[3]

REQUIREMENT BY A STATE OF LIABILITY INSURANCE OR INDEMNITY BOND OF AN INTERSTATE CARRIER

Provisions of state laws requiring interstate common carriers by motor cars to carry liability insurance or to give an indemnity bond for the payment of all claims resulting from injury to persons or property have been attacked as being in conflict with the commerce clause of the constitution. Some earlier decisions of the courts held the requirement of such insurance or indemnity bond to be a reasonable regulation under the police power and not an undue interference with interstate commerce, even as applied to an interstate carrier.[4] But the more recent decisions of the courts indicate quite clearly that such a requirement, when imposed upon an interstate carrier, will not be upheld, but is considered to be contrary to the commerce clause of the constitution.

The United States District Court for the Eastern District of Michigan in a case before it in 1923 held that provisions of state laws which were confined in their application "to regulation of common carriers in connection with public highways are not a direct burden upon interstate commerce, even though they may incidentally affect interstate commerce, but any provisions which are not so confined constitute an attempt by the state to regulate, and therefore to unduly burden, interstate commerce." The court held provisions of the Michigan law providing for insurance and for indemnity bonds for the protection of persons and property carried, to be a direct burden upon interstate commerce, and for that reason void.

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[1] *Liberty Highway Co.* v. *Michigan Public Utilities Commission,* 294 Fed. 703 (1923); also see *Interstate Motor Transit Co.* v. *Kuykendall,* 284 F. 882 (1922).

[2] For a similar decision on this point see *Red Ball Transit Co.* v. *Marshall,* 8 F. (2d) 635 (1925).

[3] *State* v. *Oligney,* 202 N. W. 893 (1925). Also see *State* v. *Caplan,* 135 Atl. 705 (1927); *Hanley* v. *Town of Poultney,* 135 Atl. 713 (1927). Relative to the requirement by a city of a license and the imposition of a license fee upon interstate carriers by motor bus, see *International Motor Transit Co.* v. *City of Seattle,* 251 Pac. 120 (1926); *New York Central R.R. Co.* v. *Conlin Bus Lines,* 155 N. E. 601 (1927).

[4] *People* v. *Barbuas,* 230 Ill. App. 560 (1923); *Interstate Transit Co.* v. *Derr,* 228 Pac. (Cal.) 624 (1924).

The United States District Court for Ohio has held the provision of the Motor Transportation Law of Ohio, requiring a company to file a satisfactory liability insurance policy or bond before a certificate of convenience and necessity would be granted to be unconstitutional "insofar as it is applicable to interstate traffic." [1]

In the case of *Michigan Public Utilities Commission* v. *Duke*,[2] the Supreme Court of the United States considered the question of the state requirement of an indemnity bond as applied to an interstate private carrier by motor truck and held such a requirement to be contrary to the commerce clause. However, the court emphasized the fact that this was a private rather than a common carrier. In considering the state requirement of an indemnity bond the court said it had "no relation to public safety or order in the use of motor vehicles upon the highways, or to the collection of compensation for the use of the highways. The police power does not extend so far."[3]

REGULATION OF THE INTRASTATE BUSINESS OF AN INTERSTATE CARRIER

The question also arises as to the extent to which a state may regulate the intrastate business of a motor bus company which is also engaged in interstate commerce. A law of the state of Massachusetts provided that no motor vehicle be operated upon any public way for transporting passengers for hire as a business between fixed and regular termini, without first obtaining a license from the city council of a city or the selectmen of a town in which such vehicle is so operated, with a proviso that such license should not be required as to carriage or transportation exclusively interstate. The statute also required a carrier operating a motor vehicle under such license to obtain from the department of public utilities a certificate of convenience and necessity. A company operating between Boston and Providence, but doing an intrastate business between Boston and Worcester, attacked the validity of the statute, contending that in regulating its intrastate business, it affected its interstate business and was consequently contrary to the commerce clause of the constitution. The Supreme Judicial Court of Massachusetts pointed out that the statute required no license or certificate from those engaged exclusively in interstate commerce, but that such persons were expressly exempted.[4] As to the indirect effect of the statute on interstate commerce the court pointed out that, "The state has the power to pass general police regulations, although indirectly interstate commerce may be affected thereby." In considering the argument made that the driver of the bus was engaged in interstate commerce the court held that this had nothing to do with the power of the legislature over local transportation.

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[1] *Red Ball Transit Co.* v. *Marshall*, 8 F. (2d) 635 (1925). [2] 266 U. S. 570 (1925).

[3] Cf. *Sprout* v. *City of South Bend* 153 N. E. 504 (1926); *Ibid*, 154 N. E. 369 (1926).

[4] *Barrows* v. *Farnum's Stage Lines*, 150 N. E. 206 (1926); also see *Boston and Maine R. R.* v. *Cate*, 150 N. E. 210 (1926); *Boston and Maine R. R.* v. *Hart*, 150 N. E. 212 (1926).

The validity of this statute was also attacked before the same court by a bus company operating between Manchester, New Hampshire, and Boston, but also doing an intrastate business in Massachusetts. The court held that despite the fact that it was an interstate carrier, so far as it was engaged in the transportation of passengers whose journey began and ended within the state of Massachusetts it was amenable to the statute.[1]

This law was also upheld by the United States District Court for the District of Massachusetts in a case before it in 1926, holding that because a bus company is engaged in interstate commerce, it may not do a purely intrastate business without complying with state statutes.[2]

PRIVATE CARRIERS ENGAGED IN INTERSTATE COMMERCE

The Supreme Court of the United States in the case of *Michigan Public Utilities Commission* v. *Duke*[3] considered the question as to whether a state might impose upon all persons engaged in transportation for hire by motor vehicle over the public highways of the state, the burdens and duties of common carriers, and require them to furnish indemnity bonds to secure the payment of claims resulting from injury to persons and property carried. The court held that when applied to a private carrier without special franchise or power of eminent domain, and engaged exclusively in hauling from a place within the state to a place in another state the goods of particular factories under standing contracts with their owners, such a law violates the commerce clause of the constitution, by taking from the carrier, instruments by means of which he carries on interstate commerce, and by imposing on him unreasonable conditions precedent to his right to carry on interstate commerce. It was pointed out that while a state might prescribe uniform regulations necessary for public safety and order in respect to the operation upon its highways of all motor vehicles, those moving in interstate commerce as well as others, "it has no power to fetter the right to carry on interstate commerce within its borders by the imposition of conditions or regulations which are unnecessary and pass beyond the bounds of what is reasonable and suitable for the proper exercise of its powers in the field that belongs to it."

CONCLUSION

These decisions of the state and federal courts indicate with a fair degree of certainty the extent to which the states may go in the regulation of motor carriers engaged in interstate commerce, in the absence of legislation by Congress on the subject.

It has been definitely established by the decisions of the Supreme Court that a state cannot exclude a carrier engaged in interstate commerce from the use of its highways by refusing to grant it a certificate of convenience and necessity.

In the most recent case on this question before the Supreme Court of the United States, decided on May 31, 1927, the Court did not consider the provision of the Ohio law requiring a certificate of convenience and necessity since the Ohio public utilities commission had recognized that under *Buck* v. *Kuykendall*, 267 U. S. 307, and *Bush* v. *Maloy*, 267 U. S. 317, it had no discretion in the matter where the carrier was engaged in interstate commerce, and it was willing to grant the certificate upon application and compliance with the other provisions of the law.[1] To refuse to grant a certificate of convenience and necessity when the company is willing to comply with all of the other provisions of the law is a regulation not of the use of the highways but of interstate commerce, not merely placing a burden upon interstate commerce but obstructing it.

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[1] *Commonwealth* v. *Potter*, 150 N. E. 213 (1926).

[2] *Holyoke Street Railway Company* v. *Interstate Buses Corporation*, 11 F. (2d) 161 (1926). Affirmed by the Supreme Court of the United States in the Case of *Interstate Buses Corporation* v. *Holyoke Street Railway Company*, 47 Sup. Ct. Reporter 298 (Jan. 3, 1927).

[3] 266 U. S. 570 (1925).

The principle being thus established that a state must admit an interstate carrier to the use of its highways, the question arises as to how far it may go in the regulation of such carrier after it is admitted. It has been established by these decisions that where the interstate carrier also does an intrastate business, the latter is subject to regulation by the state, even though thereby interstate commerce may be indirectly affected. The fact that it is engaged in interstate commerce does not excuse it from complying with state laws relative to its purely intrastate business.

In the case of carriers engaged exclusively in interstate commerce the principle has been established that a state may adopt appropriate regulations to promote safety upon the highways and conservation in their use. Such regulations as the route over which a bus may operate, the number of passengers it may carry at one time, and the service rendered, if reasonably exercised for the public safety and the conservation of the highways, without placing unnecessary regulations upon interstate commerce seem to be not contrary to the commerce clause of the constitution.

In making regulations the state may impose a license or privilege fee for the use of its highways and apply this to interstate carriers. The courts in approving such fees have been quite liberal, holding that the amount of the charges and method of collection, so long as they are reasonable, are primarily for determination by the state itself. In the decision of the Ohio case which was decided by the Supreme Court on May 31, 1927, Justice Brandeis in considering the objection made to the tax in this case that it was "not used for maintenance and repair of the highways; that some of it is used for defraying the expenses of the commission in the administration or enforcement of the act, and some for other purposes," said that, "this, if true, is immaterial," and that since the tax was assessed for a proper purpose and was not objectionable in amount, the use to which the proceeds were put was not a matter which concerned the plaintiffs in the case.

The requirement of liability insurance or indemnity bond for the payment of all claims resulting from injury to persons or property has been held to conflict with the commerce clause. This has been held to be not a regulation in connection with the public highways but rather an attempt by the states to regulate interstate commerce. This question was not considered directly by the Supreme Court in the recent Ohio case, but in referring to the question, the Court indicated that such a requirement would not be sustained.

These principles apply to common carriers in interstate commerce by motor cars; they cannot be made applicable to a private carrier engaged in interstate commerce and hauling the goods of particular factories under standing contracts. A statute declaring all persons engaged in the transportation of persons or property for hire by motor car to be common carriers is unconstitutional; this cannot be done by mere legislative fiat.

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[1] *Clark et al.* v. *Ohio Public Utilities Commission*, decided May 31, 1927.

NORTH CAROLINA TO HAVE BETTER COUNTY GOVERNMENT

BY PAUL W. WAGER
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A full explanation of the new county government acts adopted by this progressive state. :: :: :: :: :: :: :: ::

North Carolina has one hundred counties and, in the last five years, they have expended two hundred and forty million dollars. These huge expenditures have been made, for the most part, by untrained officers, without unified fiscal control, and without systematic accounting. In other words, county government in North Carolina, as elsewhere, has rapidly grown into a business of gigantic proportions, yet it has tried to operate with the same machinery and the same organization as was set up in colonial days. Indeed some of our county offices and county government practices originated as far back as the time of William the Conqueror.

In North Carolina the county is the primary unit of local government. The township exists in name—a survival of the Reconstruction Period—but it has no independent functions and there is no township tax. The central governing body in the county is the board of commissioners of three or five members. The register of deeds is *ex officio* clerk to the board. The commissioners meet regularly on the first Monday of each month, and at these meetings they receive delegations, hear reports, make appropriations, let contracts, grant poor relief, audit the claims which have come in during the previous month and attend to various details of administration. Occasionally a committee is appointed to investigate a matter under consideration and report at the next meeting. After adjournment the clerk writes up the minutes of the meeting, issues vouchers for the claims approved by the board, and returns to his registerial duties until the next meeting. Sometimes it is necessary to have a second meeting later in the month.

The most important powers exercised by the county commissioners are their fiscal powers. Within limits set by the constitution and by acts of the legislature they determine what tax shall be levied and what appropriations shall be made. Actually their range of discretion is very much circumscribed. They must support the schools for the constitutional term; they must meet the court expenses; they must provide certain officials and pay their salaries; they must provide for the assessment and collection of taxes; and they must make provision for everything else which the court has held to be a necessary expense of the county. About the only place where they can exercise any discretion is in the matter of building improved roads, and here the demand has been so insistent and universal that nearly every county has been extravagant. There has also been a demand—perhaps commendable—for new courthouses, new jails, new county homes. Hundreds of large modern schoolbuildings have been erected in connection with the consolidation program.

The sudden awakening of a state

which had lain dormant for fifty years naturally caused and probably justified large capital outlays. Many of the counties have bonded themselves to the limit. With the general county expenses irreducible, with school costs steadily mounting, with the clamor for roads unabated, and with an increasing levy necessary to meet interest and installments on the debt the county commissioners have been faced with the responsibility of levying heavier and heavier taxes. The temptation has been to keep the levy down, let a deficit accumulate for two or three years and then fund it with a bond issue. Not a few counties have been guilty of the practice, and perhaps there is not a single county that is not using 1926 taxes to pay 1925 bills.

Political expediency has not been, however, the chief cause of recurring deficits, nor has an avoidable interest charge been the only source of waste. The major delinquencies in county administration have grown out of the absence of responsible executive headship and constant fiscal control in the courthouse. It is obvious that the commissioners, meeting only one or two days a month, and without financial statements before them, have had to act "in the dark." Bookkeeping in the courthouses of North Carolina has been almost exclusively of the cash-book type, and such accounts have, of course, very little control value. So crude has been our county bookkeeping that boards of commissioners when they come into office have oftentimes been unable to ascertain the bonded indebtedness of the county, the amount of outstanding notes, the volume of uncollected taxes, and other essential information. Methods of assessing and collecting taxes and of effecting settlements with tax collectors and treasurers have been equally crude. The writer has in mind one county which, a year or so ago, had failed to make final settlement with three former tax collectors (in North Carolina the sheriff is tax collector) and two ex-treasurers.

Finally, the counties have suffered as a result of a defective auditing system. How can the board of commissioners in an hour or two determine the correctness of 150 or 200 claims presented for supplies or services rendered several weeks before? Obviously it is impossible; the audit is purely perfunctory. Even should an extravagance be discovered, what can be done? The time to exercise control is when the liability is incurred, not when the bill is presented for payment.

It is evident that a system which served fairly well so long as the functions of government were few and the volume of expenditures small is utterly inadequate when expenditures in the average county approximate half a million dollars a year. Yet this is the system which ten years ago was in operation in every county in the state, still prevails in three-fifths of the counties, and would undoubtedly have continued indefinitely in many counties had there not been a vigorous campaign of education culminating last month in the enactment of three laws which set up minimum standards for every county. The forty counties excepted in the previous statement are those which have provided for themselves whole-time clerks, or auditors as they are called. Such officers keep the financial records, verify the claims presented for payment, check-up on the other county officers, and in a multitude of ways render valuable assistance to the board of commissioners. In some counties the auditor acts as purchasing agent and as tax supervisor. In the counties having competent auditors with extensive powers, better government has been attained, and one of the features of the new system is the requirement that there be such an officer in every county.

THE PRELIMINARY RESEARCH

The first person to penetrate the jungle of county government in North Carolina was Dr. E. C. Branson of the department of Rural Social Economics of the state university. For ten years he has been directing attention to county government and its antiquated and wasteful practices. He has continued year after year to make investigations, assemble every scrap of evidence that got into print, deliver innumerable addresses, and write unceasingly on the need for improved county government. Then three years ago the university received a grant for research purposes from the Laura Spelman Memorial Fund, thus enabling Mr. Branson at last to undertake a program of research that was both intensive and extensive. Three young men were put into the field and up to the present time comprehensive studies have been made in fifty-one counties.

The second veteran explorer in the field of county government is Dr. E. C. Brooks, formerly state superintendent of public instruction and now president of the state agricultural college. While he was state superintendent he became impressed with the lax financial practices which obtained in the counties and he has not ceased through the intervening years to study county government and to urge reform.

The third man who deserves honorable mention is Governor McLean. He has a passion for efficiency in government and a balanced budget. Upon his election to the governorship he succeeded in securing the adoption of the executive budget as a feature of the state government, and at the close of the first fiscal year the state was able to report a surplus for the first time in its history. As soon as he got the state on a sound financial basis he turned his attention to county government.

In September, 1925, he appointed a commission on county government composed of fourteen men and women who were actively interested in the subject. The commission concluded that the following services well performed will insure good business management. When they are poorly performed there is poor business management and a loss of public service as a result:

(1) Maintaining unity in the official family of a county in fiscal management;

(2) Preserving the taxables of a county;

(3) Collecting the revenue fairly and justly;

(4) Safeguarding the revenue through proper accounting;

(5) Safeguarding the expenditures through budget control and a central purchasing agent;

(6) Protecting the physical property of the county, and

(7) Providing properly for the administration of justice.

The acts embodying the above recommendations are very simple. If the reader, after reading this introduction, is expecting something radical he will be disappointed. North Carolina is simply attempting to extend to the counties those same principles of government as are being adopted by states and municipalities. They are not revolutionary principles, but their application in county government will indeed be revolutionary.

AN ACT TO PROVIDE IMPROVED METHODS OF COUNTY GOVERNMENT

This act recognizes two forms of county government, the county commissioners form, which is the existing form, and the manager form.

The present form has already been described, and it has been pointed out that with the assistance of a whole-time clerk very good results may be obtained.

The second plan permits the board of county commissioners to appoint a county manager who shall be the administrative head of the county government, and responsible for the administration of all the departments which the board of county commissioners has the authority to control. He shall be appointed with regard to merit only, and he need not be a resident of the county at the time of his appointment. In lieu of the appointment of a county manager, the board may impose and confer upon the chairman of the board the duties and powers of a manager, and under such circumstances he would become a whole-time officer. Or the board may impose and confer the powers and duties of manager upon any other officer or agent of the county who may be sufficiently qualified to perform such duties, adjusting the compensation accordingly.

According to the act, "it shall be the duty of the county manager: (1) to be the administrative head of the county government for the board of commissioners; (2) to see that all the orders, resolutions, and regulations of the board of commissioners are faithfully executed; (3) to attend all the meetings of the board, and recommend such measures for adoption as he may deem expedient; (4) to make reports to the board from time to time upon the affairs of the county, and to keep the board fully advised as to the financial condition of the county and its future financial needs; (5) to appoint, with the approval of the county commissioners, such subordinate officers, agents, and employees for the general administration of county affairs as the board may consider necessary, except such officers as are required to be elected by popular vote, or whose appointment is otherwise provided by law; (6) to perform such other duties as may be required of him by the board of commissioners."

If the board of county commissioners does not exercise its discretion to appoint or designate a county manager, a petition may be filed with the board, signed by at least 10 per cent of the voters, asking for the adoption of the manager form of county government. Whereupon an election shall be held and, if a majority of the votes cast favor a manager, the board shall proceed to appoint one. Not more than one election may be held within a period of twenty-three months.

Whether the manager form of county government is adopted or the existing form retained, the act makes it the duty of the commissioners to designate some competent person, either a member of the board or some other officer or agent of the county, as purchasing agent. If there is a county manager he would very likely be given that duty. Likewise the board is required to designate some member of the board or some other officer or agent of the county to make a regular inspection of the county property and report the condition of the same to the commissioners.

One county board has already appointed a manager under this act, and there are three counties in which the chairman of the board had been made manager before this act was passed. There are several other counties in which the chairman of the board devotes half or more of his time to county work. Finally, there are fifteen or twenty counties having auditors with duties approximating those of a county manager. Thus it is seen that it is only a step in these counties to the county manager system, and it is reasonable to believe that county managers, in name and in fact, will multiply in the next few years.

THE COUNTY FISCAL CONTROL ACT

The Fiscal Control Act provides, in the first place, that the board of commissioners in each county shall appoint in April, 1927, and biennially thereafter, "some person of honesty and ability, who is experienced in modern methods of accounting, as county accountant." In counties in which there is an auditor he shall be given the powers and duties of accountant. Or the board may impose the duties upon any county officer, except the tax collector or treasurer.

The duties of the accountant, or the person acting in that capacity, are briefly: (a) act as accountant for the county and its subdivisions in settling with all county officers; (b) keep a record of all receipts, disbursements and contracts; (c) require every officer and department receiving or disbursing public money to keep a detailed record of all financial transactions; (d) examine monthly, or oftener, all books, accounts, receipts, vouchers and other records of all county officers and departments including the county road commission (where it exists) and the county board of education; (e) require regular reports from officers receiving or collecting fees, fines and penalties; (f) file annually a complete statement of the financial condition of the county; (g) advise with other county officers and with state officers as to the best and most convenient method of keeping accounts, so as to bring about as far as possible a simple, accurate and uniform system; (h) perform such other duties having relation to the purposes of this act as may be imposed upon him by the board.

The second main feature of the act is the requirement that every county operate on a budget basis. The fiscal year ends June 30, and on or before June 1 each department head is required to submit a statement of the amounts expended and estimated to be expended for each object in his department in the current fiscal year, and an estimate for the ensuing year. Upon receipt of such statements and estimates the county accountant is to prepare a budget estimate in the aggregate. The act designates nine specific funds which must at all times be kept separate, and between which transfers are illegal. The budget estimate is submitted to the board by the first Monday in July.

Immediately upon the submission of the budget estimate, and at least twenty days before the adoption of the appropriation resolution, the board is required (a) to file the budget estimate in the office of the clerk of the board for public inspection; (b) to furnish a copy of the budget estimate to each newspaper published in the county, and (c) to publish in at least one newspaper a summary of the budget estimate.

Not later than the fourth Monday in July the board is required to adopt and record on its minutes an appropriation resolution, the form of which is to be prescribed by the county accountant. The board is not bound by the budget estimate except in the following particulars: (1) It shall not reduce the appropriation recommended for debt service; (2) it must respect constitutional and statutory requirements and limitations; and (3) it must take care of all deficits carried over from the preceding year.

Since the budget estimate is prepared before the close of the fiscal year, a supplementary budget must be submitted after July first to adjust the difference between estimated balances and deficits and actual balances and deficits. The appropriation resolution is deemed automatically amended by such supplementary budget. Of course no particular appropriation is affected by this adjustment.

As soon as convenient after the close of each fiscal year the county accountant is required to publish a statement showing in detail the financial condition of the county, and the estimated rate of taxation for the current year.

Not later than Wednesday after the third Monday in August the commissioners are required to make sufficient levy upon the taxable property of the county to meet the budget requirements, that is, after allowing for supplementary revenues.

All claims must hereafter be presented to and approved by the county accountant: Provided, the board may approve a claim disallowed by the county accountant by entering on its minutes the reason therefor. Accounts shall be kept by the county accountant for each object of appropriation, and every warrant or order upon the county treasury must state specifically against which fund the warrant or order is drawn. Such accounts shall show in detail the amount appropriated thereto, the amount drawn thereupon, the unpaid obligations charged against it, and the unencumbered balance to the credit thereof.

It is the purpose of this act to establish a competent accountant in every courthouse, to develop a uniform system of accounting, to guarantee a balanced budget in every county every year, and incidentally to discourage wastefulness and fraud and render to the taxpayers a report which they can understand.

THE COUNTY FINANCE ACT

A companion act to the county fiscal control act is the County Finance Act. This measure is designed to prevent the accumulation of an unwarranted indebtedness and to otherwise safeguard county credit. Three types of borrowing are permitted, namely, (a) notes in anticipation of taxes, (b) notes in anticipation of long-term loans, and (c) serial bonds.

A county may borrow for ordinary expenses in anticipation of taxes up to 80 per cent of the amount of uncollected taxes and other unrealized revenue for the current fiscal year, provided such loan is repaid not later than thirty days after the expiration of such fiscal year. A county may borrow for the purpose of paying the principal or interest of bonds or notes due or to become due within four months, and not otherwise adequately provided for, and such loan shall be payable not later than the end of the next succeeding fiscal year.

A county may borrow money in anticipation of the receipts of the proceeds of the sale of bonds to an amount not exceeding the maximum authorized amount of the bond issue. Such loans shall be paid not later than three years after the time the order authorizing the bonds takes effect. Notes maturing in less than six months may be disposed of by public or private negotiations, after five days of public notice. Notes maturing more than six months from date of issue shall be sold in the same manner as bonds, that is, upon sealed proposals after the sale has been advertised for at least ten days.

All bonds shall mature in annual series, and a tax sufficient to pay the principal and interest of the bonds when due shall be annually levied and collected. Bonds shall mature within the lifetime of the improvement for which they are issued. The act establishes what shall be considered the maximum life of each type of building and of each type of road which might be constructed. The present floating indebtedness of any county may be funded if such funding bonds are issued before July 1, 1927; otherwise such debts must become an item in next year's budget. All funding bonds must mature within fifteen years, and all refunding bonds within twenty years, the installments beginning within two years.

After the introduction, and at least ten days before the final passage of an order for the issuance of bonds for school purposes, a sworn statement shall be prepared by a person designated for the purpose, showing the existing school debt and what percentage of the assessed valuation it constitutes. The total school debt of any county shall not exceed 5 per cent of the assessed valuation of such county: *Provided, however,* that if the net school debt at the time this act is ratified be in excess of four-fifths of the limitation mentioned above, the net debt may be increased as much as 2 per cent of the assessed valuation: *Provided further,* that if any county shall assume all outstanding indebtedness for school purposes of every subdivision the limit of the net debt of such county for school purposes shall be 8 per cent. For all other than school purposes there is also established a 5 per cent limitation, with the proviso that an existing debt in excess of 4 per cent may be increased as much as 2 per cent. These limitations do not apply when funding or refunding bonds are contemplated, for such bonds do not add to the net debt. They merely substitute one form of obligation for another.

Bonds issued for other than necessary purposes must be submitted to a vote of the people by virtue of a clause to that effect in the constitution. Bonds issued for necessary purposes do not have to be sanctioned by popular vote unless in particular instances the legislature so enacts. Bonds issued for necessary purposes under the provisions of this act must be submitted to the voters only when a petition to that effect, signed by 15 per cent of the voters, is filed within thirty days after the first publication of the order. If a majority of the votes cast in the election are opposed to the bond issue the order must be repealed. No referendum is necessary in order to issue funding or refunding bonds.

The act contains a detailed account of the procedure to be followed in floating bond issues, safeguards against the misappropriation of the proceeds, and many other points which cannot be touched upon here.

COUNTY GOVERNMENT ADVISORY COMMISSION

The first of the three acts described in this paper contained a section which I have reserved for treatment until last because it is really a part of the machinery of enforcement.

There is created a county government advisory commission of five members, appointed by the governor, and "qualified by knowledge and experience to advise and assist the county officials in the proper administration of the county government." At least three of the members of the commission must be county commissioners. The new commission has been appointed and four of the five men selected were members of the earlier commission. Dr. E. C. Brooks is again chairman.

The commission is authorized to appoint a competent person to be known as the executive secretary of the commission, and he is to be a salaried official devoting his entire time to the work. The members of the commission serve without compensation except their actual expenses.

It is the duty of the executive secretary to act as secretary to the commission; to visit the counties in the state, and to advise and assist the county commissioners and other county officers in providing a competent, economical and efficient administration; to suggest approved methods for levying and collecting taxes and other revenues, and for keeping the accounts of the various officers and departments of the county government; to prepare a manual of forms and recommendations for the guidance of the county officers in making reports and keeping accounts of the receipts and expenditures of the public money; and to perform such other duties as may be required of him by the commission. The commission may employ such assistants to the executive secretary as it may consider necessary.

For the purpose of meeting the expenses of the county advisory commission and the executive secretary and assistants the legislature appropriated $15,000 for the biennium 1927–1929.

The commission has had two meetings, at the last one calling into conference with it several of the county auditors of the state and those who have been engaged in the research. An effort is being made at the outset to devise uniform blanks for the use of the county accountants, with a standard classification of accounts and a common nomenclature. An executive secretary has not yet been appointed.

Some have attacked the establishment of the commission as bureaucratic, but since its aim is to be helpful rather than dictatorial it is probably a desirable, if not a necessary, part of the program.

ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

IV. EXPENDITURES FOR PUBLIC EDUCATION

BY ROLAND A. VANDEGRIFT

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The growing cost of public schools has become a subject of general concern throughout the country. This article analyzes the present situation and arrives at some rather definite conclusions. :: :: ::

From east to west and north to south throughout the states, beginning with the first years of the second decade of the twentieth century, there set in a general reaction against the ever-increasing expenditures for public education. The elaborate school buildings, magnificent structures, inside and out were pointed to as material evidences of extravagance. These buildings were truthfully described by one editorial writer of national importance as "Finer than the palaces of the princesses of Europe."

The providing, in school plants, of gymnasiums, auditoriums, music rooms, stages, shops, domestic science rooms, and other quarters for subjects not offered a generation or two earlier was criticized as a foolish waste of the taxpayers' money. Moreover, these newer subjects—domestic science, manual training, art, printing, forge work, agriculture, etc.—most of them demanded by the parents, perhaps it is true encouraged by the teaching fraternity, were found to be expensive and at once were placed on the defensive as of questionable value. All special instructors and supervisors from school nurses, advisors, psychologists, cooking teachers to athletic directors came in for their full share of criticism. All were branded as expensive innovations, which confused the child, supplanted the essential three R's and hastened the ruination of the taxpayers.

It was pointed out that the cost of education per child, when the fathers of our constitution and the builders of our nation were educated, was $3 to $5 per year, while by 1921, it was as high as $100 in several cities.

The high school movement, just getting well under way, was branded as being entirely beyond what the state should offer as free education.

The protests against the increasing expenditures became stronger and stronger. Some educators believed that the whole public school structure was in danger, and the only solution was to amputate the extravagances, real and alleged. Dr. Henry Pritchett, director of the Carnegie Foundation for the Advancement of Teaching, issued a challenge to educational administrators and indicted them on numerous counts. He declared that millions of dollars were wasted annually by the schools on absurd "fads and frills." He showed that education was wasteful by misdirecting its energy. Charge after charge was presented.

Strange as it may seem, and as inexcusable, school administrators could give no satisfactory answers to Dr. Pritchett, nor to any considerable proportion of the thousands of other charges which were brought forth, appearing in almost every community. Most of these charges have not been squarely answered up to the present time.

The general reaction was manifest by cutting educational expenditures, including the salaries of administrators and teachers, in many places. "Back to the three R's" became the slogan and what were called "fads and frills," such as domestic science, physical training, etc., were eliminated from many programs.

LACK OF DEPENDABLE INFORMATION ON SCHOOL COSTS

Educators, who were coming in for attack, denied extravagance, but had no statistics to back up their claims. They could not meet the issue squarely with facts, so they fell back upon an appeal to sentiment, which, by repetition, is becoming all too frequently their main staff. They said that the rights of defenseless children were being attacked, and their just rights to educational opportunity being denied by penurious penny pinchers. Many educators still resort to these tactics when it is pointed out to them, in specific instances, that they can secure the same educational results for a less expenditure of money. Thus by cuttlefish methods, they try to avoid the issue. Some of them go so far as even to justify school extravagances by pointing out that the American is extravagant in his use of tobacco and chewing gum, face powder and lip stick, and spends great sums annually for these—therefore, apparently extravagances in school expenditures are justified, since such expenditures are for better purposes. Had Socrates reasoned so, the charges against him, of corrupting the youth, might well have been considered just. Those of us, who idealize the schools and trust our educators, expect a better leadership and reasoning than is manifest in such arguments. Certainly private extravagance does not justify public extravagance. Some administrators, and it is encouraging that their number has increased, asked for the facts so improvement could be made. The charges have done a great deal of good in stimulating the best of the educators to get more education for the money expended.

On the other hand, those who charged extravagance in school expenditures had little real evidence to substantiate their charges, except in local examples where it is true, too frequently, very damaging cases were presented. No statistics on the costs of education as a whole, however, had been gathered. Even now few of a reliable nature, collected and analyzed from the cost point of view so as to indicate extravagances, if existent, are available. Too much of what has been done has been of a whitewash nature in an attempt to justify the past rather than to aid the future.

THE EDUCATIONAL FINANCE INQUIRY

Just as the storm of reaction against mounting school expenditures was reaching its climax, the Educational Finance Inquiry Commission was organized to inquire into the costs of public education. Dr. George D. Strayer of Teachers' College, Columbia University, was placed at its head. Early in 1921, a large body of workers began their task, which was to find out what public education was costing. Educators admitted that this was the first survey of its kind that had ever been undertaken and that they did not know what education was costing. They had groped and blundered ahead, backed-up and started over, and somehow in the groping ahead had done a great deal. But such a process is expensive and leads to unnecessary expenditures of money and the waste of the time of teachers and pupils.

The Educational Finance Inquiry Commission has done a great work and its volumes on the costs of education for the country as a whole, and those dealing with costs in several representative states should be read and utilized by every educator. Are they read and used by educators and school administrators? In our courses in school administration, in our colleges and training schools, are they used and analyzed as they should be, or are these volumes suffering the usual fate of such inquiries?

The writer has made some inquiry into the fate of these publications. From personal observation, it seems that very few school people know the works exist, fewer have read them, and a very small percentage use them. Checking up the withdrawal dates of these volumes, in libraries of two universities where teachers are trained in California, shows a relatively small use. One volume, "Cost of Education in California," had eight withdrawals in the period from January, 1925, to June, 1927, and one of these by the writer. Three of the studies have to date no withdrawals. There was some use of the books placed on collateral reading reserve, which can only be estimated. The total was very small in comparison with the size of the registration in the educational department.

The conclusion is quickly reached, that these studies are not used as widely as they should be. Further check also shows a great part of the use made is merely to justify past expenditures as a whole, and to urge further expansion without an active determination to eliminate specific extravagances. Frequently, in conversation and in published articles in defending expenditures for education, all charges of extravagances are met by comparing expenditures for education with expenditures for roads, war, crime prevention, etc. An extravagance in the expenditure of public money for one function is not excused by similar extravagances for other functions.

SITUATION IN CALIFORNIA

Let us look directly at the situation of school costs and see what the facts are. The writer will use examples encountered in California, which should be typical and relatively fair to education, since California stands high, if not first, in educational rank in the Union. As a Californian and a product of California's educational system from elementary grades through its State University, the writer is zealous to maintain California's high place in education and anxious to add to the efficiency of public education.

In the first place, accounting for school expenditures both from the cost analysis and administrative control purposes, as generally encountered, is woefully inadequate. Expenditures for the several educational functions are confused. Maintenance and capital outlays are thrown together. Teaching costs for elementary, junior high schools, senior high schools, evening high schools, and junior colleges are hopelessly scrambled. Expensive transportation systems have grown up like Topsy and no one knows just what they cost. Where is there an inventory of supplies on hand and what are the standards of amounts per pupil? Many more examples could be cited and specific cases given. This does not mean that there are no bright spots where adequate accounts are kept—and interesting to note, costs are found to be comparatively low in these cases.

What is the usual reply when you ask a school administrator how much is the per capita cost for teaching, for supplies, or in the secondary school, the per capita subject costs? Usually a general reply is returned which, when analyzed, is an evasion for "I don't know." How can excessive costs be avoided when costs are not known? How can curriculum adjustments be made when the principal does not have data at hand to exercise intelligent control? Again, there are exceptions where cost control data are at hand and are used. The same deficiencies in accounting, mentioned here, have been noted in the recent attempt to establish existing relationships between expenditures where schools in New York and Pennsylvania were used.

The criticism of school accounting does not suggest, as a remedy, an elaborate cost accounting system, but one ample to suit the needs and sufficient to provide administrative control. It is to be hoped that more use will be made of the uniform system of school accounting prepared by the committee representing the United States Bureau of Education, the Department of Superintendence of the National Education Association, the Association of Public School Business Officials, and adopted by the United States Bureau of Education for use in its forms in calling for statistical information from school districts.

The general use of this schedule of accounts would aid greatly research into educational expenditures by allowing convenient comparison of expenditures, and should result in eliminating some excessive costs.

In progressive states like California, requiring so-called scientific requirements for school administrators, the study of accounting and cost control methods should be a part of the school administrative courses required for an administrator's credential.

Secondly, educators should arrive at standards which determine costs. Educational costs are determined largely by teaching costs and the teacher load regulates this cost. What should be the teacher load? Can a teacher successfully instruct 10, 20, 30, 35, 40, or more, elementary pupils per day? How many should it be? It ranges from one pupil in an exceptional case to 55 or 60 in a county recently studied. What is the norm? Educators should set and adhere to a standard as closely as circumstances will permit. Large savings, totaling several millions of dollars per year, can be realized by solving this question. Many schools are overstaffed now, and teachers frequently underpaid for this reason. In one small county in California over $200,000 annually can be saved if the average teacher load for elementary grades is placed at 35 pupils per class and for high schools at 25 pupils. Small schools should be consolidated where possible. The more than 3,500 school districts, with their separate school boards and plants in California and the 175,000 one-room schools in the United States, are living criticisms of American efficiency and ingenuity. Better schools at a less cost can be secured by consolidation. In one county in California, consolidation would save $17,000 annually in teaching costs; in another, $24,000 could be saved. This can be repeated all over the United States. Certainly, where such possible savings exist, public education is now costing too much.

Besides the saving in teaching costs, a saving on overhead through consolidation results. Another excessive cost which now exists, and which it is hoped, has recently been eliminated by law in California arises through independent district purchasing of school supplies. Prices varying as much as 300 per cent for the same article have been found. In Kern County, California, based on an index number of average prices paid, a 185 per cent difference between the largest school and the 70 smallest schools was found for standard school supplies. Schools are paying too much for supplies and frequently buying too many supplies. Through county centralized purchasing of school supplies, it is calculated that California will save approximately $1,000,000 per year. This does not mean that excessive prices are now being universally paid, for it appears that Los Angeles city district is getting school supplies cheaper than anywhere else in the United States. It does mean that school supplies are costing too much, since they can be bought for less through more efficient organization.

PER CAPITA SCHOOL COSTS

In the same item of school supplies, the great variations found in per capita consumption and qualities used presents another problem of costs. This can be carried on over into school furniture and equipment. Here, the question may be asked if the school has a right to provide luxuries in environment which are so far beyond the average home in the district that, by comparison, nothing but discontent with the home can result. It appears that the creation of discontent with the home in this fashion costs too much.

A fifth point presents itself in the question of what shall be the minimum size of classes in secondary schools. Small classes, just as small schools, are costly for teaching, overhead, plant space occupied, and practically every other item of expense. When are per capita costs too high for a subject to be offered free of cost? In a number of high schools examined recently, per capita costs per subject per half year for those enrolled ranged from $4 for first year Spanish to $122 for trigonometry. Shop courses showed high per capita costs as follows: manual training, $12.50 to $29; machine shop, $12 to $36.49; automobile mechanics, $13 to $59.52. Costs as calculated for those passed were much higher.

It certainly seems that these high per capita costs are excessive. The administrator will have some difficulty justifying them. The claim made, that certain of these classes were offered because the teacher would have had nothing to do, is the poorest excuse, particularly where such classes are taught by the administrator himself.

Small classes in large secondary schools, where curriculum changes are possible, produce excessive costs which can readily be avoided. Where these conditions exist, and they are not infrequent, education is costing too much.

In small secondary schools per capita costs are inherently high. Such schools should be avoided where possible. Many such cases, where consolidation is possible, exist. In one California county the annual per capita costs for 1925 for the cheapest high school were $144.86, while the most expensive were $563.29. The one with $144.86 per capita is regarded by educators as superior to the other. The county has the best paved roads in the state, famous for good roads. Education in this case at $563.29 per capita is costing too much. This could be and should be avoided. Such examples are only typical, and can be multiplied many times.

SCHOOL PLANT REQUIREMENTS

Small classes require larger plants. Can they justify these additional costs? This brings us to the larger question of the use of the school plants. We have millions of dollars invested in magnificent school plants, and we are increasing the outlay by about $400,000,000 per year. These plants cost the public annually vast sums in interest, depreciation, upkeep, and loss through tax exemption, if measured as industry measures plant costs. Many of these plants are used from only 6 to 8 hours per day for 5 days per week for 9, 9½, or 10 months a year. In days, it ranges from 120 to 200 per year, if calculated on a liberal basis. Clearly, greater use must be made of school plants to justify the ever-increasing investment, and increased costs through natural increase in value of school sites. Fortunately, greater and greater use is being made of school plants as civic centers for adult education, public lectures, summer schools, summer playgrounds, etc. This does not solve the whole problem.

The some 25,000,000 children enrolled in our public schools are housed in 270,000 school buildings. About 250,000 children are housed inadequately and about the same number attend half time. About 1,000,000 children are in overcrowded quarters. About one-half of all the children are in buildings over 25 years old. On the theory of a seat for every child, buildings are needed for approximately 2,500,000 children. This calls for some 65,000 new classrooms at a cost of about $800,000,000 and an annual cost thereafter of $125,000,000 to $150,000,000 for buildings alone. This must all come from the taxpayer on top of what he now pays plus the probable increases for other functions of government.

The old traditional method of meeting this congestion is to build and provide a seat for every child. This is the most expensive way. There are alternative methods, which have been adopted in several communities. One is to have shorter school courses, cutting the traditional twelve to eleven years. Another way is to adopt the platoon system and practically double the use of the plant. Under this system one-half the pupils use the classrooms, while the others occupy the remaining facilities provided by the school. Experience shows that the capacity of buildings is increased in this way from 30 to 40 per cent.

A typical example of relative costs may be taken from the school building survey of Portland, Oregon, made in 1923 by the United States Bureau of Education. Under the traditional plan of a seat for every child, it was estimated that it would require $23,962,150 to provide school housing up to 1937. Under the work-study-play plan only $14,564,650 was needed. Portland adopted the latter plan. Seventy-nine cities with a total population of 14,000,000 have the plan in operation in one or more schools. There is resistance here and there against the platoon system for crowded schools. The possible savings under the plan commend it. Certainly present building costs are excessive if such savings are possible. In the construction of school buildings vast sums can be saved if we will but apply the rule of constructing buildings adequate for school needs and eliminate the excesses, particularly those added to produce monumental effects or surpass the buildings of a neighboring district. Reference in this respect need only be made to the savings effected by the city of Minneapolis recently in the construction of school buildings. How many taxpayers are struggling now under the burden of a school building tax, and hold a feeling of resentment against the school, when more careful planning could have saved a large percentage of the costs! Educators must know that such mistakes cost the schools too much.

SCHOOLS COST TOO MUCH

In every phase of expenditure for specific functions for education we find room for improvement. The conclusion is soon arrived at, that public education is costing too much, for vast savings can be made by greater efficiency in spending. The technique of teaching has advanced through research far faster than business administration. This may be due to the fact that educators have insisted on administering finances when financial experts should have been employed.

The remaining phase of the question to consider is—have the schools spent too much as measured by increases for educational expenditures? Taking statistics compiled by educators, we find that from 1910 to 1920 the gross costs of education in the United States jumped from $500,000,000 to $1,200,000,000 in round numbers, or an increase of 140 per cent. If this ratio is maintained the cost in 1930 will be $2,760,000,000. In 1913–14 the elementary and secondary schools cost $555,007,000 and in 1923–24 $1,820,743,900. These are gross total expenditure figures and do not include interest on investment, or depreciation costs. If these were adjusted with payments out of bond issues and payments of interest and retirement of bonds, and these adjusted costs were included as well as the tax loss from exempted school property, the costs would be even more startling. Figures for interest on investment, depreciation costs and costs by tax exemption are not included and have never been noted in any analysis of public school costs the writer has encountered. The tax exemption item alone is very large and increasing at a tremendous rate in our cities.

The increase from $500,000,000 to $2,760,000,000 in ten years does not actually represent a true pro rata increase as there was a decrease in the purchasing power of the dollar, but for all purposes where the dollar increases, or measurements, are used the ratios are fair, *i.e.*, in comparing with dollar savings, earnings, assessed valuations, etc. So long as the same measure (the dollar) is used, it is just.

During the same decade, the total government expenditures, federal, state and local jumped from $2,834,436,006 to $10,317,379,557, or an increase of 270 per cent. Several educators have, with considerable satisfaction, pointed out that this shows we spent too little then in our increase for education, and in 1920 should have shown 270 per cent. Such a contention is in error statistically, for to claim the gross percentage for this one function would have increased the total by $600,000,000 and thrown the percentage increase much higher. Moreover, public education is not considered one of the principal functions of the federal government. The strongest advocates of the Reed-Curtis educational bill, urging a federal Department of Education, only asked for a nominal sum for the establishment and maintenance and no other appropriation of federal funds was asked. From the beginning of our history the control of public education has been in the state. "There it should remain," says Dr. John K. Norton, director of research of the National Education Association. It is questionable, therefore, if, in fairness, the cost of federal government should be included. If included, then all costs of education in the army, navy, clerical staff, etc., should be included. This has not been done in the figures used and statistics are not available.

Let us consider the period 1915 to 1925. School costs doubled between 1915 and 1920 and nearly doubled again between 1920 and 1925. This increase is beyond the loss, through depreciation, of the dollar and additional costs through increased school attendance.[1] The danger point has not been reached or approached, but it is time to consider what the increase will be in the next five years. Can this process of doubling the cost of education every five years continue? When will public expenditures begin to limit the scale of living at this rate? What is the school's place in this problem?

METHODS OF DETERMINING SCHOOL COST

A fair way to measure the social costs of education, or any cost, is by seeing what per cent of the social income schools are taking now in comparison with earlier periods.

One educator says that in 1910 we spent 1.6 per cent of our national income for education. In 1920, it was placed at 1.7 per cent, and it is claimed that it is going back to 1.6 per cent.

The National Education Association Bulletin III, No. 3, pp. 78–79, says that tax-supported education in the United States in 1922 cost $1,799,383,894, or 2.77 per cent of our income. These figures appear to be reliable. In the abstract this percentage presents no danger sign; but we have not apparently begun to provide public education, if we read correctly the program which is before us. We are woefully behind in school plants. The junior high school, with its increased expense, is just unfolding. The junior college, with costs above the high school, is springing up all over the land. Adult education, with a multitude of offerings and unlimited expenditure possibilities, is being promoted. The present teacher load in many places shows a sharp decline and teaching costs rising rapidly. Tax-exempt property approximates 20 per cent of all property and is increasing rapidly.

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[1] *Research Bulletin*, National Education Association, III, No. 3, p. 77.

Other governmental expenditures are increasing. Government takes approximately one-sixth of our annual income. The agriculturist finds that approximately one-third of his income goes to pay the tax bill. Taxes for schools make up by far the largest part of his tax dollar, frequently taking over 60 per cent. When an analysis is made of specific school expenditures, possibilities for great savings are apparent.

Public education is costing too much—not that it is, as yet, consuming a dangerously large amount of our total income, but it can be secured for less by eliminating waste in money, time and energy. Or, if we put it in another way, more education can be secured for the money expended. If the school program is to advance steadily, the schools must lead in scientific management and welcome improvement in spending. Their thrift should not be reflected solely in the school savings accounts.

The spirit of inquiry into the cost of public services is abroad. Governmental expenditures everywhere are being examined to see if it is possible to wring out some of the waste and secure more for the taxpayers' dollar. This movement is only a parallel to a similar one in business affairs, but somewhat lagging in point of time. Research, which has yielded such large dividends to improve business and industrial efficiency and eliminate waste, is being called in to aid the government. The old sporadic reform movements in government are giving way to a solution of the problems by research. It is quite natural in this movement for increasing governmental efficiency and reducing wastes, that the expenditures for education should be subjected to the same searching inquiry as other public expenditures. The school officials should welcome this inquiry—they should consider it a service and give it the fullest support. School officials, like most other public officers, are too busy with detail work to discover and set up changes in procedure, which will mean greater economy and efficiency. School men should have present wastes brought to light and improvements hunted out and brought to their notice without diverting too great a portion of their own time and energy. Is public education costing too much? No one can answer other than in the affirmative who delves into the actual costs and unearths the possible savings.

Tradition and guesswork are still playing too great a part in educational procedure. The talents of children are too often poorly developed and hence their time wasted by inadequately trained teachers. Few school boards can with accuracy tell how much their schools cost. Few school administrators can tell what their per capita and subject costs come to.

School buildings are all too frequently built according to poorly considered plans. Surveys show excessive hall spaces, inadequate lighting, excessive equipment and fractional use of plants. The yearly bill for school buildings is nearly four hundred million dollars. Much of this money is poorly spent due to ignorance or carelessness. In school districts in adjacent counties in California, school buildings cost in one case $7,500 per classroom unit and over $14,000 in another. In one county, a beautiful grammar school of brick construction of 25 rooms including an auditorium of 200 seats cost $143,000, while it cost $100,000 to add six rooms to a high school in an adjacent county. They can't both be correct in their expenditure of public money.

A report on schoolhouse planning recently published by the National Education Association comes to the conclusion that "the total amount of waste in school building is enormous." If a saving of but 5 per cent could be made in the cost of school buildings annually, a saving of approximately nineteen million dollars would result. Such a result is not too much to expect.

Adequate research into the field of educational costs would probably yield greater dividends in savings than it has yielded in any field that has come under the spell of its magic touch. The educator should be the first to welcome this research as one of his greatest aids. He should want the facts. He should not stand in the way for the minority has no right, through well organized propaganda, to appeal to the sentiments of the voters "to protect the helpless children," and thus attempt to secure a majority to preserve any wasteful and incompetent parts of the present system of educational expenditures. Education is costing too much, for we can by the elimination of waste secure much more than we are now securing for our vast outlay for education. Research can show the way, but administrators of education must put needed reforms into effect.

RECENT BOOKS REVIEWED

CASES ON PUBLIC UTILITIES. By Young B. Smith and Noel T. Dowling; Including Cases and Readings on Rates, selected and arranged by Robert L. Hale. St. Paul: West Publishing Co., 1926. Pp. 1258.

As the title indicates, this is a book of selected and arranged cases to bring out the fundamental concepts of law relating to public utilities, the historical development of the law, the particular legal duties of the utilities, the public interest, and, especially, the policies and methods of public control.

There are five principal chapters. The first brings out the underlying idea of a utility and presents both the common law and legislative foundation of public control. While the common law cases are interesting from an historical and evolutionary standpoint, present-day regulation rests upon legislation and constitutional law. All regulatory legislation both as to service, rates and other public relations are based upon an inherent public interest in the utilities which justifies the different treatment of these industries as compared with ordinary business, provided that regulation does not invade the private rights of the companies or does not result in confiscation.

The second chapter has to do with general supervision of public utilities. It sets forth cases relating to the organization and dissolution of a utility, brings out the relation of self-service and collateral business, and considers the retraint of competition and labor relations. Chapter three is devoted to service, including, first, cases dealing with the duty to serve, then adequacy of service, equality of service, dependent service, and connecting service. Chapter four takes up the liability of public utilities, covering first liability in general, then liability as insurer, exceptions to liability as insurer, when liability as insurer begins and ends, liability of connecting carriers, and limitation of liability.

Chapter five is concerned with rates. It covers the law, policies and methods of valuation, rate of return and the various steps in rate-making. The material for this chapter was selected, arranged and annotated by Professor Robert L. Hale of Columbia University who has lectured and written extensively on public utility valuation and rate-making both from the standpoint of law and economics. For those interested in the problem of effective and financially sound regulation, this chapter, which covers nine subdivisions and about two hundred and fifty pages, is by far the most important of the book. The selections are exceptionally well made and the arrangement brings out with clearness the problem with which the commissions and courts have been struggling and the difficulties which have made regulation up to date disappointing. Professor Hale has included also a number of articles selected from leading economic and public journals to bring out special points which are important for the student and which are specifically brought out by the particular articles.

Space forbids an extensive survey of the chapter on rates. The cases bring out first the basis of judicial review of rates fixed by the commissions. The right of judicial review rests upon the fact that while rate-making is a legislative function, it must not result in confiscation; the function of the courts is to prevent confiscation. The selections relating to valuation, which up to date has been the *bête noir* of rate-making, are particularly well chosen to present the points of view of the courts and commissions in dealing with valuation and the elements entering into "fair value." The fact appears clear that the courts have never clearly grasped the underlying economic problem. They have not differentiated clearly between ordinary exchange value and the requisites of a reasonable rate base and thus have attempted to apply the ordinary conception of exchange value to rate-making. But since exchange value depends upon the rates charged or the net return earned by a company, the courts clearly get into difficulty if exchange value is to be used also as a measure of rates. The simple economic fact has been hopelessly confused and obscured by the decisions,—that it is impossible to base rates upon exchange value which in turn depends upon the rates to be fixed. Here has been largely the crux of the difficulty which has caused the great confusion and deadlock in rate regulation.

The cases and articles selected also bring out clearly the question of policy whether rates should be basicly predicated upon reproduction cost or original cost of the properties, whether or not depreciation should be deducted and what provisions should be made for special elements of "value." The remaining selections cover comprehensively the economic aspects and judicial points of view relating to other phases of rate-making, including the determination of a fair rate of return, the details of operating expenses, the apportionment of joint costs, and the fixing of rate schedules.

The book as a whole should serve excellently its purpose as a case book for students of public utility law. It will serve equally well economists, engineers, commissions and all persons interested in the problem of public utility regulation. We take pleasure particularly in recommending it to the courts.

John Bauer.

American Public Utilities Bureau.

◆

Federal and State School Administration. By William A. Cook. New York: Thomas Y. Crowell Co., 1927. Pp. 390.

A timely book on public school administration has been recently written by Professor Cook of the University of Cincinnati. This book is designed as an introductory text for college students by the author, who believes that a course in school administration is essential to the widest viewpoints and the greatest usefulness of all teachers, as well as a general improvement of understanding on the part of citizens. He believes that through this study the leaders of human thought may be made sympathetic with progressive changes.

The text is devoted, almost altogether, to the school systems of the United States. The author frankly recognizes the fact that he is giving more national than local stress. Consistently with the title little attention is paid to the city and township administrations. The promise by the author of another text dealing with local administration makes this emphasis tolerable, however. The text is unique in reversing the general order of treatment with national control placed first and local last.

The student of this text would find a richer understanding of it in case he had taken a general course in sociology or history of education. This is not absolutely necessary, however, as the text is simple enough and well enough organized to carry its own thought. The social emphasis is marked, the school being well related to other social institutions. The thorough historical treatment gives valuable backgrounds and indicates the causal factors at work. At various places remarkably good summaries of legal provisions are given. More might have been made of personal contributions by great leaders of the past in the field of educational administration, as well as the contributions of current leaders.

In no other text has there been such a good exposition of the indirect federal controls involving land grants, agricultural extension, Smith-Hughes bill, bureau of education, department of agriculture, children's bureau, federal board for vocational education and other agencies. The Sterling-Reed bill is outlined in detail as is also the work of the great foundations such as the Rockefeller, Carnegie and Russell Sage. There is a noteworthy lack of treatment of the institutions for teacher training, and trends in adult education might have been more profitably emphasized.

The author generally gives the arguments pro and con on all major issues so that the reader may judge of the relative merits. He is at times somewhat dogmatic, however, and makes sweeping statements which do not indicate an impartial presentation of the various points of view. Such statements are, however, stimulating to the critical reader who will see ways in which the author might, with profit, have guarded his statements. At times he goes into inconsequential details as in dealing with the political trends of the National Education Association.

Among other things the author advocates, in general, a national university, secular education, a department and secretary of education, consolidation of rural schools, the development of larger units in administration, and the equalization of educational opportunity.

The book is well bound, in good clear type. The style is good, with simple, short, and at times forceful sentences. Good references are placed at the end of each chapter. The initials of authors and year of publication, as well as the name of publisher, would have helped those who wish to investigate sources. Some important references are missing such as C. L. Robbins—The School as a Social Institution; J. Paul Monroe—History of Education; S. C. Parker—Textbook in the History of Modern Elementary Education; Edward Eggleston—The Transit of Civilization; J. K. Hart—Democracy in Education, and the Educational Finance Inquiry. The questions at the end of the chapters are not merely reviews of the contents of the text, but are real problems pertinent to the subject.

PAUL W. WEST.

New York University.

✣

TAX EXEMPTION IN STATE OF NEW YORK. A Preliminary Report by the Special Joint Committee on Taxation and Retrenchment, February 15, 1927. Legislative Document, No. 86. Pp. 263.

While this study purports to be only a preliminary study of the problem of tax exemption in the state of New York, it is, nevertheless a timely, comprehensive, and scientific treatment of an intricate and difficult subject.

The findings and conclusions of the committee are interesting and significant. The first conclusion is that a study of the facts reveals that the problem of tax exemption in New York is not so serious as many have supposed. Although the amount of tax-exempt property is 23.8 per cent of all taxable real estate, 76.2 per cent of this is made up of publicly owned property. The ratio of tax-exempt property to taxable property, excluding the temporarily exempt new buildings in New York City, has decreased gradually since 1917. Many towns with large amounts of tax-exempt property have low costs of government and low tax rates, and many towns with a small amount of exempt property have high tax rates and high costs of government. The committee found practically no relation between the amount of tax-exempt property in a given city or town, and the cost of government or the local tax rate. Special studies in twenty-one communities showed that tax exemption does not result in serious injustices to cities, towns, and villages, especially, since there are few classes of exempt property which do not bring a greater benefit to the local community than the burden which they place upon that community for governmental services. The committee, however, is strongly of the opinion that there should be no further extension of real estate exemptions. But if such extensions cannot be prevented, it is urged that any exemption granted be subject to local option and that it be for a limited term of years.

The tax exemption of public securities under the New York state personal income tax law, in the opinion of the committee, serves to defeat the progressive features of that law. Also the theory that interest rates on public bonds are materially lower because of tax exemption, and lower to the extent of the capitalized value of the exemption, the committee believes to be a fallacy when examined over a period of years and in relation to changes in the state and federal tax systems. The committee, therefore, recommends that all future state and local bond issues be made subject to the New York state income tax.

The above summaries are suggestive of the contents of the report. The report does not pretend to suggest a final program of reform nor to outline a future policy. The committee feels that what is particularly needed at the present time is more general public consideration of a future policy, since the state is only beginning to encounter the problems of tax exemption. The reviewer feels that the committee might consider defining more carefully the term "tax exemption." New taxing authorities and jurisdictions and the substitution of other methods of taxation complicate the problem and confuse the public. The elaborate appendices are a valuable feature of the study. The committee had the assistance of the research staff of the New York Bureau of Municipal Research working under the direction of Dr. Luther Gulick.

MARTIN L. FAUST.

✣

REPORT OF THE NATIONAL COMMITTEE ON INHERITANCE TAXATION TO THE NATIONAL CONFERENCE ON ESTATE AND INHERITANCE TAXATION. November, 1926. Pp. 118.

This pamphlet is a reprint of the Report of the National Committee on Inheritance Taxation to the Second National Conference on Estate and Inheritance Taxation held at New Orleans, November, 1925. In this reprint the report of the committee is printed just as it was submitted, but in several places footnotes have been added calling attention to the principal changes which have taken place in the federal law and the laws of the several states since the report was first published. The final drafts of the model succession tax and estate tax laws are also added to the report.

The report sets forth the conclusions of the committee in the form of ten recommendations. The conditions which warrant the conclusions of the committee are set forth in supporting arguments supplementary to each recommendation. The committee urges uniformity, stability, and moderation in inheritance taxation. Four recommendations deal with federal inheritance taxation. The committee believes that legislation should be enacted repealing the federal-estate tax to take effect six years from the date of the passage of the repealing act; that the rate structure of the present federal-estate tax should be immediately revised downward; that the credit provision of the present law should be extended to allow a credit of all inheritance taxes paid to the several states up to 80 per cent of the federal tax; that the federal gift tax should be abolished. It is a matter of interest and significance that the Federal Revenue Act of 1926 adopted and made effective the last three of the committee's recommendations. The other recommendations urged by the committee are the substitution by the states of estate tax laws for the succession tax laws now generally employed, the abandonment of multiple taxation of the same property by states, the taxation of intangible property only by the state of domicile of the decedent. The states apparently have not been so ready to accept the recommendation of the committee as the federal government. Additional features of the report are the illustrative cases on present inheritance-tax conditions, a bibliography on inheritance taxation for the years 1920–1925, model laws, and statistical tables showing receipts and rates.

The following men constituted the committee: Frederic A. Delano, chairman, William Bailey, William B. Belknap, Stuart W. Cramer, Fred R. Fairchild, Mark Graves, Samuel Lord, Roy C. Osgood, and Carl C. Plehn.

Martin L. Faust.

✤

Report of Commission To Study Municipal Consolidation in Counties of the Second Class in Pennsylvania to Governor Fisher and the General Assembly. Harrisburg, 1927. Pp. 126.

The city of Pittsburgh has outgrown its boundaries. There are 124 municipalities with varying types of government which comprise the Pittsburgh metropolitan district. In this respect Pittsburgh resembles all other large municipalities, wherein political boundaries have failed to keep pace with population growth and wherein increasing tax rates and increasingly complex, physical problems are becoming more and more numerous.

In 1923 the general assembly of Pennsylvania authorized the appointment of a commission to study municipal conditions in counties of the second class (Pittsburgh and Allegheny County). A small appropriation was made which has only enabled the commission to prepare a constitutional amendment. No scheme for local government in the form of a charter has yet been prepared.

The present report is of unusual interest in value. It is devoted chiefly to a discussion of the several provisions of the proposed constitutional amendment.

The commission has discarded "annexation" or "metropolitan districts" as incapable of adequately solving the problems of the Pittsburgh district. It has recommended a federated form of government, which would embrace the entire county of Allegheny to be known in the future as the city of Pittsburgh. The plan provides for:

1. The creation of a consolidated city and county government to which may be entrusted the powers necessary to deal with all matters in which the metropolitan area as a whole is interested.
2. Adequate guarantees of the continued self-governing status of the existing municipalities, except as they may voluntarily unite with other units.
3. The submission of the whole plan to the double test of a majority vote in the county as a whole and a two-thirds vote in a majority of the one hundred twenty-four municipal units concerned.

The plan represents a new step in municipal government. It would seem to have all the advantages needful in an area such as this. Local autonomy is preserved. Property may be classified as urban, suburban and rural for taxation and special assessment. Special districts may be created under the direction of the governing authority for public works such as sewers or parks, but without necessity of creating special boards or commissions.

It is to be hoped that favorable action will be taken upon the constitutional amendment in this report and that adequate appropriations will be made for the necessary studies precedent to the preparation of a local charter.

In some such plan as this it is believed that many of the problems of the large metropolitan areas will find their most satisfactory solutions.

Harland Bartholomew.

MAKING TRANSPORTATION PAY. New York: Published by American Electric Railway Association, 1927. 244 pages.

The renaissance of the electric railway, not forgetting the inclusion of the motor-bus as a proper aid toward unified or coördinated service, finds a splendid exposition in this work. This publication can rightly be considered to present the cream of present-day practices because it is a digest of the achievements of the competitors for the annual Coffin Medal and $1,000 Award, submitted by them to the 1926 committee of the American Electric Railway Association. As each competitor naturally emphasized what it deemed most praiseworthy, we have a picture of unusual interest to municipal officials and others whose view of transportation matters is from the outside.

Anyone who thinks that the live electric railway is indifferent to public patronage and public opinion will be delightfully disabused on reading the several chapters on coöperation with the community, on improved equipment, on ride-luring fares, on advertising and so on. The modern transportation manager realizes that a formerly monopolistic *industry* must evolve to a competitive *business* or perish.

Nor is all the effort confined to the front window seen by the public. Many money-saving schemes have been devised to reduce the cost of maintenance at the very same time that the reliability of the equipment has been raised to higher standards.

If many electric railway men at first were slow to see the bus as an element in the transportation scheme, the situation is far otherwise today. Hundreds of electric railways are using buses as the need for their special qualities arises. This digest shows what some of the most progressive have done to coördinate the two classes of popular transport. It appears that the car on rails is going to continue to play a big part so long as it maintains its present margin of lower cost and greater capacity over the bus, wherever there is big business to do at other than de luxe fares.

WALTER JACKSON.

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The Report of the Joint Committee on Traffic Control Signal Systems is another result of the country-wide movement for uniform traffic regulations. This committee was appointed by the New York State Conference of Mayors and other Municipal Officials and the Empire State Gas and Electric Association.

Taking into consideration the differing desires of individual communities, the committee merely attempted to standardize the meaning of devices and colors, the location of signals, local regulation governing their use, and methods of installation. Information from manufacturers of traffic control devices and answers to questionnaires sent to members of the conference furnished the basis of the committee's study.

The report contains methods in use by New York cities, a list of suggested standards and a compilation of facts useful in planning local installations.

E. C.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Secretary

Boston Finance Commission.—During June the Commission issued reports on the following subjects:

- Method of obtaining water meter readings by the Water Division of the Public Works Department.
- Appraisal of the Revere House lot—proposed site for a new fire station.
- Communication and loan order for a new fire station in the West End, submitted by the Mayor on June 6.
- The wasteful policy of maintaining municipally-owned automobiles.
- Unsound financing in repair of streets.

✤

Buffalo Municipal Research Bureau, Inc.—The Bureau has undertaken as its first work a study of the financial practices and procedures of the city government. The study will cover such subjects as budget making, accounting, purchasing, assessments, borrowing, sinking funds, debt, etc. The Detroit Bureau of Governmental Research is coöperating with the Buffalo Bureau on this study. Mr. John Rae of the Detroit staff spent several weeks during June in Buffalo in connection with the study of sinking funds and city debt. The Commissioner of Finance and Accounts has instructed his department to afford every facility to the Bureau in its work.

✤

California Taxpayers' Association.—The research department has completed during the past month an exhaustive analysis of the expenditures of Kern County, California, for the fiscal year 1925–26. The published report comprises 78 pages. The report is one of the most complete of its kind ever compiled. Much of the material is presented in tables and is graphically represented in charts and diagrams. It has been characterized by some of the outstanding tax experts as "a distinct contribution to the study of taxation." Copies may be secured from the Association, 775 Subway Terminal Building, Los Angeles. Price, $1.00.

Expenditures for San Diego County for the year 1926–27 have been intensively examined. Field workers have been going over the records for the past two months. This report should be completed within the next sixty days. A study has also been undertaken for San Diego city. San Diego city has a very large problem in its municipal waterworks, with one of the most extensive plants in the United States. It likewise has a large problem in the development of its harbor. While there are other pressing needs, the enthusiasm for an airport to be called the "Lindbergh Field" crowds out other issues. The survey will try to determine how the city can have its improvements without an unreasonable tax burden.

✤

Citizens' Research Institute of Canada.—The Institute has issued a tax conference bulletin report entitled *Go in and Disgorge.* This report explained the various functions and services rendered by the governments of Canada—municipal, provincial and federal. It was issued to give Canadian taxpayers a comprehensive idea of the value of the services they receive from governments.

The Institute has also issued a bulletin report entitled *Lowering Taxation by Increasing Population.* This report points out that the city of the greatest population does not always have the lowest tax rate.

The first portion of the 1927 edition of the *Red Book, Financial Statistics—Canadian Governments,* has been published.

The annual convention of the Canadian Tax Conference is to be held in Toronto on October 13 and 14. The National Tax Association of the United States is this year holding its annual convention in Toronto, and arrangements have been made to hold some joint sessions of the two conventions, thus enabling each country to benefit from the viewpoint and experience of the other.

✤

Taxpayers' Research League of Delaware.—The League is planning to call a conference of representatives of all organizations in the state interested to any extent in civic affairs,—including chambers of commerce, service clubs, granges, women's clubs, labor unions, and other business, professional, and community associations,—to consider the feasibility of organizing a State Civic Federation to be composed of delegates from these organizations "for the consideration of such conditions as call for citizen-action, for the formulation of measures best adapted to the meeting of such conditions, for the crystallization of public opinion thereon, and for devising and putting into effect plans for the adoption of such measures for the public good as have general citizen-approval." The Taxpayers' Research League has offered to place at the disposal of such a federation its facilities for gathering such information and for studying such civic problems.

At the request of the Delaware Industrial School for Girls, the League is making a study of the budget and accounting procedure of that institution.

The League has received requests from the Wilmington Chamber of Commerce for coöperation in a study of government costs, an analysis of New Castle County real estate assessments, and a study of desirable improvements in the municipal government of Wilmington.

The League has been requested to assist the Delaware League of Women Voters in compiling a digest of the election laws of the state.

*

Taxpayers' League of St. Louis County, Inc. (Duluth).—A bulletin has been prepared indicating the problem of next year's tax rate, and referring specifically to the extravagances found in St. Louis County.

The civil service classification for the police department, prepared by the League, was approved by the city council. This classification was acted upon in May by the Civil Service Commission. The new system is now in full operation. The League is now drafting a civil service classification for the library service.

*

Municipal Reference Bureau, University of Kansas.—The Bureau is engaged in a study of the research work in government being carried on by universities and colleges. This involves a study of the organization and personnel of the university bureaus, amount expended for research, and publications issued.

The Bureau is planning a series of studies on municipal problems in Kansas. The first of this series, "City Government in Kansas," is now in preparation.

*

Bureau of Research, Kansas City, Kansas Chamber of Commerce.—Early in July, the Kansas City, Kansas Chamber of Commerce established a bureau of research to study the administration of the government of the city and county. John F. Willmott has been appointed director of the new bureau. Since August, 1925, Mr. Willmott has been assistant secretary of the International City Managers' Association, Lawrence, Kansas, and associate editor of the Association's magazine, *Public Management*. He was formerly a staff member of the San Francisco Bureau of Governmental Research.

*

Citizens' Bureau of Milwaukee.—The staff is giving practically its entire time to the problem of the new charter. Some two months ago a Citizens' Charter League was organized and a Charter Committee of eleven members appointed to prepare a modern charter. Although having no formal connection with the Charter Committee, the Bureau each week sends the committee reports covering charter problems. The following reports have been submitted: Weak-Mayor or Decentralized Plan; Strong-Mayor Plan; Commission Plan; City Manager Plan; Proportional Representation, Unequal Representation in Common Council; Data Re Councils in Cities Over 300,000; Historical Background of Milwaukee's Common Council; Fifteen Reports on Munro's Twenty-five Tests of Good City Government Applied to Milwaukee; Ward Misrepresentation in Milwaukee; Milwaukee's Municipal Administrative Tangle; Assembly Districts as Basis of Representation; Aldermen's Thirty-five Proposed Amendments to City Charter; Supreme Court Decisions Re Home Rule, How Detailed Should a City Charter Be?; Pros and Cons of Proportional Representation as a System of Election; Digest of the Model City Charter of the National Municipal League; Outline of Model City Charter. Copies of these reports are available to anyone working on charter problems.

Dr. A. R. Hatton presented the case for the National Municipal League Model Charter before the committee and G. H. Hallett, Jr., explained the proportional representation system of election. A number of city officials have discussed various problems before the committee. A unique modification of the city manager plan has been urged, namely that the mayor be elected and that he shall appoint the city manager.

*

Municipal Reference Bureau, University of Minnesota.—Publications during June were:

- *The Law of Special Assessments in Minnesota,* by Professor Harold F. Kumm, University of Minnesota, in collaboration with Harvey Walker and Joseph R. Pratt.
- *Tax Rates, Assessed Valuations, and Exempt Property in Minnesota—1927.*
- *Instructions for Municipal Accounting in Local Improvements and Special Assessments,* by J. O. Cederberg, Assistant Public Examiner, Commission on Administration and Finance, State of Minnesota.
- *A Proposed Traffic Ordinance for Municipalities in Minnesota,* by the Committee on Safety and Traffic, League of Minnesota Municipalities.

The fourteenth annual convention of the League of Municipalities, held at Minneapolis, June 14, 15, and 16, was attended by approximately 650 municipal and state officers and civic leaders representing 153 municipalities. The first "municipal exposition" held in connection with the convention afforded a view of the many activities of the state, cities, and villages. Thirty-nine municipal exhibits were displayed.

Dr. Lent D. Upson, Director, Bureau of Governmental Research, Detroit, addressed the convention on "The Relation of the State to the Municipalities upon Problems of Municipal Accounts and Budgets." His address is published in the July issue of *Minnesota Municipalities.*

Prof. Morris B. Lambie will be on sabbatical leave during the academic year, 1927–28. For the period of his absence Mr. Harvey Walker, senior staff member, has been appointed Acting Chief, Municipal Reference Bureau, and Acting Secretary, League of Minnesota Municipalities.

*

Taxpayers' Association of New Mexico.—During June and July the Taxpayers' Association of New Mexico has helped in the preparation of local budgets for counties, cities, towns, villages, and school districts throughout the state. The director of the Association, acting as a representative of the State Tax Commission, has been present in various counties actively participating in budget preparation.

*

The Ohio Institute.—A year ago the Ohio Institute was requested by the superintendent of schools of Miami County to direct a study to find out how many children in the county school district were hand-minded rather than book-minded, with the view of providing for them the kind of education best suited to their needs. The bureau of special education of Miami University gave its services for making all mental tests and for determining the educational needs of each child included in the study. The Ohio Institute has now issued a brief report of this study, entitled *Special Education in Miami County, Ohio.*

With a view to finding out what bearing the recent publication of the United States Census Bureau, *Prisoners: 1923,* has on the situation in the state penal institutions, the Ohio Institute is preparing a limited analysis of the statistics. The analysis will cover not only figures given by the Census Bureau but also certain facts about the population of the Ohio penitentiary for the last thirty years.

*

Municipal Reference Bureau, University of Oklahoma.—During July, the Bureau prepared a directory of twenty-five hundred officials of about three hundred cities and towns of Oklahoma. A milk ordinance and a model ordinance governing paving were also developed.

*

Rochester Bureau of Municipal Research.—Charles B. Raitt of Los Angeles, California, is at present in Rochester, New York, where he is making a recreation survey for the Rochester Bureau of Municipal Research. Work on the survey was begun June 20, and it is expected that six or eight months will be required for its completion.

The Bureau has issued a *Report on a Survey of the Rochester Public Market and Marketing Problem.* The survey was made by George A. West under the direction of Harold W. Baker, Commissioner of Public Works, and with the support and assistance of the Rochester Bureau of Municipal Research.

San Francisco Bureau of Governmental Research.—*San Francisco-San Mateo Survey.* At the request of the San Francisco Chamber of Commerce the Bureau has undertaken a survey of San Francisco and San Mateo counties. The information and results will serve as the basis for recommending consolidation of the two counties. The Chamber of Commerce has agreed to finance the survey. Alfred H. Campion, assisted by two additional staff members, is in charge of the survey.

Garbage Removal and Disposal. At the election on June 14 an initiative measure, proposed by the opposition to the present garbage removal organization and designed to regulate and fix the rates of garbage collection, was approved by a majority of the voters.

The Bureau analyzed this initiative ordinance and urged its rejection. The Bureau has been requested by the Board of Health to coöperate with it in making a study of the whole garbage situation and the schedule of rates.

After approval of the initiative ordinance, the Board of Health issued a statement inviting civic organizations to appoint one representative each on a civic committee to consider all phases of the refuse and collection situation, and to keep in touch with the study to be made by the Bureau.

The Bureau has employed an engineer, H. J. Raab, to carry on the work of this survey now under way.

Improvement and Utility Bonds. An analysis was made of each of the four bond issue proposals voted upon at the June 14 election. These bond issues authorized the purchase of the existing water supply and distributing company at $40,000,000; extension of the existing municipal railway system at a cost of $4,700,000; construction of a War Memorial group of buildings, including an opera house, at the Civic Center-City Hall group of buildings at a cost of $4,000-000; and the construction of an arterial highway and rail outlet known as Bernal Cut through hills in the southern part of the city, at a cost of $1,400,000.

The $4,000,000 bond issue for constructing the War Memorial group of buildings, and the $1,400,000 issue for construction of the arterial highway and rail outlet known as the Bernal Cut were approved by the voters. The two utility bond issues failed to carry.

Salary Standardization. The work classification of all salaries by the Civil Service Commission, recently restarted with the Bureau actively participating, is now well under way. The field work is being handled by two Bureau staff members. Data has been secured from a number of commercial organizations relative to the classifications commonly used for stenographic, clerical, bookkeeping, accounting and similar services. Field work has been completed in fourteen departments.

City Planning. The Bureau has coöperated with a section of the Commonwealth Club, an organization designed to study public questions, in the preparation of a proposed charter amendment to strengthen city planning powers. The proposed charter amendment, if adopted by the Commonwealth Club and the various improvement organizations to which it has been referred, will be placed on the ballot at the election in November, 1928.

Market Street Railway Franchises. Many franchises on the principal lines of the largest street railway company will expire during 1929. The Bureau has begun the compilation of all Market Street franchises to show the location, extent and expiration date of each. This information will be compiled and published in tabular and map form.

Mark H. Gates, Secretary of the Bureau and active with the organization for eleven years, resigned June 1 to enter the commercial field.

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Toledo Commission of Publicity and Efficiency.—A survey of the purchasing division of the city government is the Commission's latest undertaking. This survey is being made to ascertain the need for a central storeroom and to secure data on the prices paid for regular supplies. The investigation will be used as a basis of recommending to the city administration changes, if any, in purchasing procedure.

The Commission has under consideration a statement of conditions relative to the tax rate levied for sinking fund bonds. It is also considering the advisability of recommending changes in special assessment procedure for levying the cost of street paving and repaving.

✤

Toronto Bureau of Municipal Research.—Progress is being made on the survey of the Toronto park system. All the parks have been visited in order to make note of the general use to which parks are being put, methods of upkeep, etc.

White Paper No. 114, being the third in the city budget series, has been issued and received considerable notice through the local daily press.

All the reported motor accidents which have taken place in Toronto within the past twelve months are being tabulated by the Bureau, with details as to place, reason for accident, result, etc. It is the intention, if possible, to locate the place of such accidents and to study the subject closely in order to see if changes in method of traffic conditions, location of playgrounds, etc., would be effective in cutting down their number.

⁂

Utah Taxpayers' Association.—The research department of the Utah Taxpayers' Association is analyzing every audit made by the public auditors. This analysis is presented to the taxpayers of each unit concerned. This analysis is being used constructively for the correction of evils and delinquencies discovered by the public auditors.

⁂

Institute for Government Research (Washington, D. C.).—Since the beginning of the year the Institute for Government Research has published in its series, "Studies in Administration," three volumes, *The National Budget System with Suggestions for Its Improvement*, by W. F. Willoughby; *The Legal Status and Functions of the General Accounting Office of the United States Government*, by W. F. Willoughby; and *The Department of Justice*, by Albert Langeluttig. In its series of Service Monographs of the United States Government it has published the following three volumes: *The Panama Canal*, by Darrell H. Smith; *The Bureau of Animal Industry*, by F. W. Powell; and *The Medical Department of the Army*, by James A. Tobey.

Among the more important studies now in progress, most of which will be published during the current year or early in 1928, are:

"The Principles of Public Administration," by W. F. Willoughby.

"Comparative Study of the Administrative Systems of England, France and Germany," by F. F. Blachly and M. E. Oatman-Blachly.

"The Government of the District of Columbia with Suggestions for Its Improvement," by Lawrence Schemckebier.

"The Development of Forest Control in the United States," by Jenks Cameron.

"The Movement of Classification of Public Personnel in the United States," by Lewis Meriam; and

"The National Government in Relation to Industry and Commerce," by F. W. Powell.

Work is also in progress on a number of service monographs of the United States Government. It is hoped that this series will be practically completed by the end of 1928.

NOTES AND EVENTS

I. GOVERNMENT ACTIVITIES AT HOME

EDITED BY A. E. BUCK

Auburn, New York, Votes to Retain City Manager Plan.—The voters of Auburn, New York, a city of about 40,000 population, decided to retain the city manager plan by a majority of 1,038 at a special election held on June 30. It was proposed to substitute for the manager charter a charter providing for the ward aldermanic form of government.

We are informed that the dissatisfaction with the existing government grew out of opposition to the installation of a new assessment system which contemplated the appraisal of real property at full value. The present manager, J. P. Jaeckel, promoted the new assessment system, so the recent election amounted to a "vote of confidence" in his administration.

◆

Mayor Walker Proposes a New Housing Plan.—Mayor Walker of New York City has recently proposed a new housing plan based on the use of the city's power of excess condemnation. Under the constitution and statutes the city government in acquiring land for public purposes may take more than it needs for a specific project. This has been done in acquiring the site of the new court house. The additional land is to be used for other public purposes, one block being turned over to the state government for its new office building. In building the new subway in Eighth Avenue, the board of transportation has condemned lands in excess of its requirements. The privilege was again used in recently taking land for the widening and extension of Sixth Avenue.

Land may be acquired for use under Mayor Walker's new scheme only as an incident to the taking of property for parks or public buildings or the widening of streets. It is now too late for the city to avail itself of this right in connection with street widenings in some of the East Side slum districts, but other such widenings are soon to be made. The proposal is to acquire parallel strips along the old streets wider than required for the new streets and to convert the excess land into sites for model tenements. These sites are to be leased to builders for 99 years at a rental of 4 or 4¼ per cent of the cost to the city, a rate sufficient to pay interest on the bonds which the city may issue and to amortize the land cost during the 99-year period. Mayor Walker believes that if this plan is followed modern tenements can be built which would rent at an average of $8 per room a month. However, it is maintained in some quarters that such a figure is impossible unless the city government is willing to subsidize the housing project to the extent of about $5 a room per month.

◆

Cincinnati Bureau Proposes System for Rating City Employees.—The Cincinnati Bureau of Municipal Research has submitted to the manager and the civil service commission a system for rating city employees. It is claimed that the proposed system is superior to the percentage scheme of grading now in use, where employees are graded on their efficiency every three months by their immediate superiors. The present scheme is said to provide no method for constructive criticism.

The new system would call for a report every six months by the employee's superior on a prepared form. This form would be checked according to four groups of qualities and sent to the civil service commission. The percentage grading would then be computed mechanically. These gradings would be used as a partial basis for promotions or for corrective measures which would be taken by the personnel director.

◆

States May Tax Interstate Motor Traffic.—A recent decision of the United States Supreme Court affirms the right of state governments to impose taxes on interstate motor carriers and to regulate their operation in such a way as to insure safety and conservation of the highways. The case arose in the state of Ohio over the enforcement of the motor transportation act which provides that owners of vehicles carrying passengers must obtain a certificate from the state and pay a tax according to the number and capacity of vehicles used. The firm of Clark & Riggs, doing entirely interstate business between

Cincinnati and Aurora, Indiana, ignored the provisions of the act and brought suit in the local federal court to restrain the Ohio public utilities commission from enforcing it. The case was dismissed by the local court and then appealed to the United States Supreme Court which affirmed the previous decision.

In delivering the opinion of the court, Justice Brandeis said:

> The plaintiffs claim that, as applied to them, the not violates the commerce clause of the federal constitution. They insist that, as they are engaged exclusively in interstate commerce, they are not subject to regulation by the state; that it is without power to require that before using its highways they apply for and obtain a certificate; and that it is also without power to impose, in addition to the annual license fee demanded of all persons using automobiles on the highways, a tax upon them for the maintenance and repair of the highways and for the administration and enforcement of the laws governing the use of the same.
>
> The contrary is settled. The highways are public property. Users of them, although engaged exclusively in interstate commerce, are subject to regulation by the state to ensure safety and convenience and the conservation of the highways. Users of them, although engaged exclusively in interstate commerce, may be required to contribute to their cost and upkeep. Common carriers for hire, who make the highways their place of business, may properly be charged an extra tax for such use.
>
> There is no suggestion that the tax discriminates against interstate commerce. Nor is it suggested that the tax is so large as to obstruct interstate commerce. It is said that all of the tax is not used for maintenance and repair of the highways; that some of it is used for defraying the expenses of the commission in the administration or enforcement of the act; and some for other purposes. This, if true, is immaterial. Since the tax is assessed for a proper purpose and is not objectionable in amount, the use to which the proceeds are put is not a matter which concerns the plaintiffs.

⁂

St. Louis Fights Smoke Nuisance.—St. Louis is preparing for another vigorous campaign this winter against the smoke nuisance in that city. It is estimated that the smoke loss of the city is approximately $15,000,000 a year. Of this total, $3,000,000 is due to imperfect combustion of fuel; the remaining $12,000,000 to property damages resulting in excessive laundry and cleaning bills, deterioration of exterior painting on houses, sheet metal work, the renewal of wall paper, curtains and other house furnishings, loss in merchandise and the extra cost of artificial lighting. It is said to have cost three times as much to redecorate the Statler Hotel in St. Louis, containing 650 rooms, as the Pennsylvania Hotel in New York with 2,200 rooms. It is estimated that the annual soot crop of St. Louis is 47,275 tons, or over a thousand carloads.

Last year eighteen organizations combined in St. Louis to fight the smoke nuisance. Conferences were held and citizens came together to discuss smoke abatement. House to house canvasses were conducted and lists of smoke violaters were filed. Seventy-five per cent of the flues in St. Louis were found inadequate for proper combustion. A school was established to give instructions in the proper method of firing a furnace. Even the school children in the city schools were taught how to keep the fires burning properly at home. After a year's campaign, it has been decided to continue for at least two more years and $250,000 has been provided to carry on this campaign.

⁂

National Recreation Congress.—The Fourteenth Recreational Congress will be held in Memphis, Tennessee, October 3–7 under the auspices of the Playground and Recreation Association of America. An interesting program has been planned. At a general session W. F. Jacoby, director of parks and recreation of Dallas, will speak on methods of arousing public interest in birds, animals and plants of parks. L. H. Weir will report on his two-year study of municipal and county parks and forests. Herbert May of New York, who is completing a study of recreation in France, Germany, England, Denmark, Czechoslovakia and Austria, will summarize his findings for the meeting. C. C. Hieatt of Louisville, Kentucky, president of the National Association of Real Estate Boards, will present the subject of setting aside recreation areas in new subdivisions. Other important topics will be municipal golf, swimming pools, play progress for small children and the kind of recreation needed for girls. Demonstrations of games, dramatics, music and an exhibit of handcrafts used in successful work in many cities, will be featured at the meeting.

⁂

Zoning in New Jersey.—Both the Republican and Democratic organizations of New Jersey have recently endorsed the proposed constitutional amendment permitting zoning. The adoption of the amendment at a special election on September 20 would seem to be assured. However, the friends of zoning in that state are taking no chances, since the setback received by the movement when the courts threw out the old law. The League of Municipalities, the Federation of Labor, the Association of Real Estate Boards, the Federation of Women's Clubs, and the State Chamber of Commerce have united in the New Jersey Zoning Association to carry out a state-wide campaign in behalf of the movement.

✤

This Country Has 4,000 Airports.—A report has just been compiled which shows that the United States has at present 4,000 aviation landing fields. Although these fields are distributed among the cities in every state of the Union and the District of Columbia, New York City does not have a municipal airport. Chicago claims fifteen landing fields, seven of which are municipal, six commercial, one an army field and one maintained by the Post Office Department; Los Angeles has eight, one of which is municipal and seven commercial. Municipal landing fields are maintained by Boston, Philadelphia, Pittsburgh, Buffalo, Cleveland, Cincinnati, Peoria and Reno. In fact, 207 cities have municipal fields completed or under construction and 93 more have them under consideration. Many of these fields are already equipped with lights and markers and other devices to make flying safe.

Baltimore, Atlantic City, Bridgeport and Danbury, Connecticut, Kalamazoo, Michigan, Rome, Georgia, Denver, San Francisco, and Prescott, Arizona are a few of the places in which municipal air fields have been proposed. A special committee in New York City has recently made several recommendations for the location of a municipal airport in or near the city. One suggestion, which seems to have considerable support, is for the establishment of an airport on East Island, in Jamaica Bay. The proposed location when developed will have an area of about 1,100 acres. It is claimed that the prevailing winds and lack of fog at this proposed field are such as to make possible safe and regular flying.

If the airports of the country are distributed according to states, California leads with 100 landing fields, Texas is second with 84, and Illinois third with 64. Ohio has 50, Oklahoma 40, Arizona 29, Colorado and Iowa 22 each. New York state has 30.

✤

Virginia Institute of Public Affairs.—On August 8 the University of Virginia will open for the first time an Institute of Public Affairs. The initial session will extend over two weeks. It is under the direction of Charles G. Maphis, dean of the summer session of the University. Governor Henry F. Byrd and several notable persons from outside the state are scheduled to appear and speak at the Institute. Several round tables will be held devoted to a discussion of the problems of national, state and local governments and also international affairs.

✤

California Has a New County Budget Law.—The California legislature at its recent session enacted a compulsory budget law for all counties in the state. This law contains provisions which will enable the citizens and taxpayers to be informed on the proposed expenditures and tax rates of each county government before the final budget is adopted. A complete budget must be prepared showing all the income and expenditures for the fiscal year. The head of each department or institution must furnish information as to receipts and the amount necessary to be expended for the next fiscal year. These estimates are brought together by the county auditor, and after tabulation are turned over to the board of supervisors. This board is required to hold hearings on the expenditure proposals so that any taxpayer can appear and be heard. The board of supervisors must prepare the budget in pamphlet form, either printed or mimeographed, and distribute it to newspapers and individuals interested in it. This law was largely sponsored by the California Taxpayers Association.

✤

Politics Institute at University of Georgia.—The Southern Institute of Politics at the University of Georgia modeled after the Institute of Politics at Williamstown, Massachusetts, was held during the first week of July. Through public lectures and round table conferences the Institute discussed many problems of government and also foreign relations, and was attended by members from all parts of the south. Among those who led the discussion were Professor E. S. Corwin, Princeton University; Professor J. W. Garner, University of Illinois; Professor Robert E. Cushman, Cornell University; and Professor E. C. Branson, University of North Carolina. Several notable speakers addressed the Institute on various subjects. Among these were Josephus Daniels, former Secretary of the Navy; Adamantois Th. Polyzoibes, editor of *Atlantus*, a Greek newspaper published in New York City; and Charles Pergler of Washington, former secretary to the President of Czechoslovakia and first Czechoslovakian commissioner to the United States.

*

Two Counties Added to Civil Service.—Recently Alameda County, California, provided for a civil service commission through the adoption of a new charter. The Michigan state legislature enacted a law which will establish a civil service commission for Wayne County to become operative after April 1, 1928. Before these two counties were added to the list only three other counties had civil service, namely, Cook County, Illinois, Los Angeles County, and Milwaukee County.

II. GOVERNMENT ACTIVITIES ABROAD

EDITED BY W. E. MOSHER

German Training for Administration.—A valuable light upon the training which is considered necessary for an administrator in Germany is found in the announcement of courses given during the current academic year in the Academy of Administration in Berlin. These courses, according to the *Deutsche Juristen-Zeitung*, offer a rich choice to both beginners and advanced students. Their range and scope, as well as the distinguished scholars and public officials who offer them, should be of particular interest to administrators and students of public affairs in the United States, where organized study of public administration is barely beginning to receive serious attention. The lectures and courses are as follows:

Professor Jastrow, Survey Course; Professor Eulenberg, Economic Theory; National Bank Director Motschmann, Present Day Problems of Money and Credit; Professor Wagemann (President of the National Statistical Office), Banking and Exchange; Ministerial Councillor Lucas, Civil Law I, General Principles; Professor Titze, Civil Law II, Liabilities; Professor Kaskel, Exercises in Civil Law; National Attorney Hulsen, Business Law; Privy Councillor Volkmar, Civil Process; Professor Kohlrausch, Criminal Law (general); Ministerial Councillor Kiesow, Criminal Law (special course); Ministerial Director Poetzsch, Public Law; Judge von Dultzig (of the Supreme Administrative Court of Prussia), Administrative Law; Ministerial Councillor Mende, Law of Officers; Privy Referee Legation Councillor Martins, Organization and Duties of the League of Nations; Legation Councillor von Baligand, Administrative Law in Interstate Commerce; Legation Councillor Kraske, State Citizenship; Privy Judicial Councillor Oberneck, Land Registration.—(Contributed by Miriam E. Oatman.)

Regional Town Planning.—A summary statement of the present status of the regional town planning, prepared by an inspector in the Ministry of Health, shows with what rapidity this movement has spread in England and Wales. According to this review there are now forty-two planning committees operating in as many regions. These committees comprise the representatives of six hundred local authorities and deal with an area exceeding 6,000,000 acres of land. A single joint committee has recently been recommended for the London traffic area that comprises 2,000 square miles.

The character of the different regions covered varies greatly. Sometimes it is geographical, approximating a water drainage area. Sometimes it is geological, centering about a coal-producing section of the country. Sometimes it is determined by the sphere of influence of a large city. Again it may be set up with reference to an industrial center, a group of health resorts or a cluster of towns.

For the most part the committees consist of representatives of the units involved, including the county administration in which they are located. Specialists are invited by the committee to make the necessary surveys, prepare maps, plots, diagrams and photographs. Ordinarily a planning expert is then called upon to write the report. In the report a survey is made of the main features of the region concerned and a review of its resources and potentialities submitted.

Most of the committees thus far have only advisory powers. Definite action is taken by the councils constituting the region through individual town-planning schemes that are dovetailed with the general plan. In a few cases the authority to carry out the plan is vested in the joint committee. It has been found advantageous to continue the joint committee under any circumstances so that it may be possible to coordinate the various schemes, to pool pertinent information as it becomes available, and to maintain the "regional outlook."

A theme that runs through several individual plans reviewed shows what attention is being paid to the development of future expansion with regard to retention of open spaces in the immediate neighborhood of urban areas. This means, in some instances, the plan for satellite towns.—*Municipal Journal*, April 8, 1927.

✠

Central Supply of Electricity.—The project of organizing the production and distribution of electricity in Scotland has been formulated by a special board of commissioners and has been placed before the public. This scheme covers an area of 5,000 square miles and affects three and one-half million of the total population of five million. The estimated cost is six million pounds. Instead of the present forty-two producers, owning thirty-six generating stations, there will be but ten and, before the end of the ten-year period, only six such stations. Distribution will be through private enterprise at an estimated saving of nearly 900,000 pounds a year. It is further assumed that by 1941 prices will be reduced. The financial statement shows that the cost of the scheme, up to 1933, will not be greater than would be the cost of extending the present enterprises in order to secure the same results. This is reported to be the first of a number of projects which will ultimately cover England and Wales as well. Five separate plans for central electrification under public authority are under way for various parts of England.—*Municipal Journal*, May 13, 1927.

✠

Public Utility.—A report was recently made to the Borough Council of Stepney with regard to the expansion of its electrical plant. The growth may best be shown by the following figures: In 1901 the capacity was 670 kw.; in 1926 it was 42,000 kw. The total units sold in 1901 were 563,000 and in 1926, 45,037,107. Of these, private lighting consumers used 300,230 units in 1901 and 13,292,485 in 1926. On the cost basis, the total cost per unit sold in 1901 was 3.82 d.; in 1926, 1.194 d. An exhibit of electrical appliances was recently announced for the purpose of encouraging the public to use electricity more frequently, thus benefiting the community at large.

A similar expansion is recorded for the borough of Poplar. Its electricity committee reports that the production has jumped from 250,000 in 1900 to 3,000,000 units per year at the present time.—*Municipal Journal*, May 6, 1927.

✠

Road Signs in the Country.—The automobile association of England is installing road signs in rural districts as warnings of curves, corners, cross roads and the like. These signs are made of sheet metal, about three feet, six inches high, and are supplied with reflectors of high efficiency, capable of catching the gleams of medium-powered head lights at a distance of 200 yards. They are lightly constructed so that no serious damage would be caused in case cars ran into them. A red and white reflector is found on either side, the red being to the right and the white on the left. The posts are striped in black and white so that they may be seen in the fog or half light.—*Municipal Journal*, May 13, 1927.

✠

Homecroft.—A national association in England has been organized for the development of what is termed homecroft. Its first experiment consists in the erection of twenty-five houses upon a plot of ten acres. Each cottage is surrounded by a small croft, about two-fifths of an acre in size. It is equipped with shelters for chickens, rabbits, a tool shed and a small stable. The cottage and croft are to be let at sixteen shillings a week. This figure includes provision for a sinking fund whereby the tenant will become the owner after twenty-five years. The definition of the aims of this movement reads as follows: "Homecrofting aims at providing every worker, rural or urban, with a home-in-a-garden. The garden is a spare time food garden. It is scientifically equipped to produce small quantities of, as nearly as possible, all the various things a family needs to eat. Homecrofting attaches a little family-food-factory to every worker's home."—*Municipal Journal*, May 6, 1927.

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THE LEAGUE'S BUSINESS

Some Founders of the National Municipal League.—In 1894 municipal government in the United States was our "one conspicuous failure." No national organization existed for the purpose of consolidating and crystallizing sentiment for reform and the promise of a better day was slight. The Municipal League of Philadelphia, however, came to the conclusion that such an organization should be formed and issued a call for a National Conference for Good City Government to be held in Philadelphia on January 25 and 26, 1894. This call was endorsed by influential people throughout the United States and the result was the organization of the National Municipal League.

Clinton Rogers Woodruff has recently unearthed a copy of the endorsement of the call and it has occurred to us that present members will be interested in reading the list of distinguished persons who joined with the Philadelphia League in bringing a nation-wide League into being.

For the interest of antiquarians we will say that in announcing the price of the subscription dinner persons were warned that "The subscription does not include wine."

James C. Carter, New York.
Charles Francis Adams, Boston.
Theodore Roosevelt, Washington, D. C.
Richard H. Dana, Boston.
Charles J. Bonaparte, Baltimore, Md.
Henry C. Lea, Philadelphia.
Charles A. Schieren, Brooklyn.
Charles Eliot Norton, Cambridge, Mass.
George W. Childs, Philadelphia.
Gamaliel Bradford, Boston.
Moorfield Storey, Boston.
Matthew Hale, Albany, N. Y.
L. Clarke Davis, Philadelphia.
R. Fulton Cutting, New York.
Horace White, New York.
William G. Low, Brooklyn.
Edward M. Shepard, Brooklyn.
John Field, Philadelphia.
Fred'k Law Olmstead, Brookline, Mass.
Philip C. Garrett, Philadelphia.
Samuel B. Capen, Boston.
Isaac Sharpless, Haverford College, Pa.
Ansley Wilcox, Buffalo, N. Y.
Finley Acker, Philadelphia.
Edward Cary, Brooklyn.
John B. Garrett, Philadelphia.
Joel J. Baily, Philadelphia.
J. Andrews Harris, Philadelphia.
Joseph Krauskopf, Philadelphia.
Edwin D. Mead, Boston.
Charles C. Harrison, Philadelphia.
Isaac J. Wistar, Philadelphia.
Everett P. Wheeler, New York.
Jacob F. Miller, New York.
Seth Sprague Terry, New York.
Samuel H. Ordway, New York.
James S. Whitney, Philadelphia.
Franklin MacVeagh, Chicago.
R. C. McMurtrie, Philadelphia.
Joseph S. Harris, Philadelphia.
Marshall Field, Chicago.
Stuart Wood, Philadelphia.
George Burnham, Jr., Philadelphia.
S. D. McConnell, Philadelphia.
Herbert Welsh, Philadelphia.
George G. Mercer, Philadelphia.
John Harsen Rhoades, New York.
Herbert Lee Harding, Boston.
C. Browne, Boston.
R. W. Gilder, New York.
Carl Schurz, New York.
Charles W. Eliot, Cambridge, Mass.
Abram S. Hewitt, New York.
Lyman J. Gage, Chicago.
Wayne MacVeagh, Philadelphia.
Washington Gladden, Columbus, Ohio.
Daniel C. Gilman, Baltimore, Md.
Lyman Abbott, New York.
Richard T. Ely, Madison, Wis.
Alexander Brown, Philadelphia.
Francis A. Walker, Boston.
Edward E. Hale, Boston.
John R. Procter, Washington, D. C.
Edwin L. Godkin, New York.
Wendell P. Garrison, New York.
William Potts, New York.
W. Harris Roome, New York.
Herbert B. Adams, Johns Hopkins University.
Wm. J. Gaynor, Brooklyn.
Sylvester Baxter, Boston.
Hampton L. Carson, Philadelphia.
Theodore M. Etting, Philadelphia.
Ellis D. Williams, Philadelphia.
O. W. Whitaker, Philadelphia.
W. W. Frazier, Philadelphia.
Wm. Dudley Foulke, Richmond, Ind.
H. La Barre Jayne, Philadelphia.
John H. Converse, Philadelphia.
Wm. P. Henszey, Philadelphia.
Horace E. Deming, New York.
Anson Phelps Stokes, New York.
Alfred Bishop Mason, New York.
A. R. Macdonough, New York.
Charles R. Codman, Barnstable, Mass.
George Burnham, Philadelphia.
J. Rodman Paul, Philadelphia.
Joshua L. Baily, Philadelphia.
James E. Rhoads, Bryn Mawr.
E. W. Clark, Philadelphia.
William Pepper, Philadelphia.
Edmund J. James, Philadelphia.
William I. Nichols, Philadelphia.
W. M. Salter, Philadelphia.
Joseph Mey, Philadelphia.
Clinton Rogers Woodruff, Philadelphia.
Thomas Martindale, Philadelphia.
Albert Shaw, New York.
S. Davis Page, Philadelphia.
E. P. Allinson, Philadelphia.
Dorman B. Eaton, New York.

Thirty-Third Annual Meeting of the National Municipal League will be held in New York City November 10 and 11. The Governmental Research Conference and the National Association of Civic Secretaries meet at same place November 9 to 11.

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EDITORIAL COMMENT

The annual convention of the International City Managers' Association will be held at Dubuque, Iowa, September 13, 14 and 15.

*

The Rochester manager charter has been generally sustained by the New York court of appeals, the highest court of the state. The court, however, rejected the non-partisan election provision of the charter on the ground that the local (charter) law did not specify what sections of the state election statute are to be suspended in favor of the local law. This the court finds to be necessary under the terms of the state home rule law. The first election will thus be of the partisan type, but the technical defect relating to non-partisan elections can be easily corrected later by action of the city council without the necessity of a referendum.

*

Subjects for Baldwin Prizes for 1928 The following topics have been selected by the Prize Committee as the subjects on which Baldwin Prize essays may be submitted in 1928:

- Extraterritorial Powers of City Planning Commissions.
- Methods of Measuring the Effectiveness of Municipal Government.
- Home Rule Charters for County Government.
- Appointive Police Court Judges.
- Should the City Manager Plan Provide for a Mayor Responsible for Effective Community Leadership?

The Baldwin Prize of $100 is offered each year by the National Municipal League for the best essay on some phase of municipal government by an undergraduate student in an American college. Manuscripts must be in the hands of the secretary of the League by May 15, 1928. For further particulars address the secretary.

*

Taxes in Socialistic Vienna In Vienna the annual tax on a Ford car amounts to $232. Wages are taxed at rates varying from $4^{1}/_{16}$ per cent to 8½ per cent. The highest bracket in the house tax carries a rate of 36½ per cent, and one householder pays $50,000 a year tax on his household servants. These are some of the sources of revenue utilized by socialistic Vienna and described in this issue by Dr. Abraham Sonne.

One-fifth of the governmental cost payments applies to the municipal housing program. The city owns and operates its street railways and its electric, gas and water works. Once the capital of a large and flourishing empire, it is now reduced to the chief city of a small and impoverished state isolated by customs barriers. Yet the wonder is that Vienna as a municipality is absolutely sound financially, meeting even its high capital expenditures from current income. During the period of inflation Finance Commissioner Breitau proved more skilful than private speculators in reaping the rewards of profiteering. Considered as a government Vienna is richer than ever before. It remains to be seen, however, whether some of its taxes will not prove oppressive and with what fidelity to the public interest its vast properties will be managed when those who are at present at the helm will have turned them over to others.

*

Municipal Banking in St. Paul and Birmingham The operations of the St. Paul municipal "bank" described in this issue by Mr. Louis Dorweiler will be news to many readers. In its brief existence, the "bank" has gathered assets amounting to $10,000,000 and at least once has come to the financial aid of the city in an hour of need. It has also weathered a grand jury investigation, instigated by bankers whose fears of governmental competition are often exaggerated, and enjoys the confidence of the voters as expressed at a recent charter election.

Strictly speaking, the undertaking is not a bank at all; it is rather a device for making small individual savings available for city purposes. It sells ten dollar certificates to the people on which it pays four per cent. The proceeds it invests in municipal securities which pay a higher rate of interest. It thus comes in competition with savings banks and investment bankers dealing in municipal bonds. In some degree at least it encourages saving and tends to lessen the dependence of the city upon security dealers.

Although the St. Paul project provides a convenient investment for small savings, the need for it as a social agency is reduced through the activities of savings banks paying an equally attractive rate of interest. In England, however, the situation has been different and the Birmingham Municipal Bank, the first venture into municipal banking in that country, was designed to render a service which the large private institutions were neglecting. As a consequence of the War English workmen were drawing high wages but had few opportunities for investing their weekly savings at satisfactory rates. Interest paid on postal savings was too low to appeal to the now affluent worker, and it was felt that a savings bank paying a more reasonable rate would encourage thrift and assist in solving some of the financial problems of the municipality.

Consequently in 1916 the corporation organized a war-time savings bank which was succeeded in 1920 by the present Municipal Bank under special powers from Parliament. Today its deposits amount to more than 8,000,000 pounds made by more than 225,000 depositors, distributed among the central office and its forty-two branches. The interest rate on deposits is 3½ per cent. Withdrawals of small amounts can be made at any time but for large amounts notice may be required. The minimum deposit is one penny and the maximum 500 pounds in any one year. The bank is administered by a committee of the municipal council headed by Sir Percival Bower.

Loans are made to depositors to help them in purchasing homes. If you are a municipal tenant you can become owner of the house on deposit of one per cent of the purchase price; if you are not a sitting tenant a first payment of 20 to 25 pounds is required for the purchase of a corporation house. The bank has thus been made an integral part of the municipal housing scheme, and more than 2¼ millions of pounds have been advanced for house purchases. The bank also affords an easy method of payment of water, electricity and gas accounts, which services are all owned and operated by the borough.

The officials of Birmingham are proud of the success of their bank. The idea has not spread as yet to other English municipalities but private banks are now beginning to establish convenient savings departments and it may be that the chief social purposes behind the Birmingham institution is thus being served in other communities.

*

Senator Norris Criticizes the Model State Constitution

Senator Norris is an active and independent thinker and all members of the National Municipal League should be glad that he has turned his attention to the development of an improved system of state government. In common with many others, he feels that the present movement for administrative reorganization touches only one phase of the problem; that there are legislative and political difficulties of vast proportions remaining. Readers will therefore be especially interested in his letter printed below criticizing the League's Model State Constitution.

Naturally we do not agree with Senator Norris. To our mind legislatures will always be political bodies. Of course, politics should be restricted to its proper sphere and we agree heartily that it should not concern itself with the selection of administrative employees and control of administrative action. Because the prime duty of a legislature is to represent the people, we do not believe it will ever become a body of experts. Indeed, it is desirable that it should not. In the opinion of many Senator Norris' legislature would ripen into the finest bureaucracy which any country has ever seen.

His letter follows. Read it and write the editor what you think.

My dear Mr. Dodds:

I have received your copy of a Model State Constitution. There is much in it that I dislike, although it has some remarkably good features. Your argument for a one branch legislature it seems to me is unanswerable. But speaking of the constitution as a whole you still retain party control and that in my judgment is the largest evil of every state government. The state is a business institution. It ought to be conducted along non-partisan lines. There ought to be no such thing as a division along party lines in state, county or municipal matters. If there is any excuse for such a division, which I doubt very much, it exists in the national legislature where the parties are supposed to represent some fundamental principle of government.

The questions of state, county or municipal affairs are entirely different. Not a single one of them depends upon whether John Doe is postmaster at Podunk, or whether a Republican is sheriff of some county, or whether a Democrat is mayor of some city. None of them depends upon the tariff, or upon any other question of national importance where the parties are supposed to be divided. There is no reason why some man should be elected a member of the legislature because he believes in a protective tariff, or because he supported some particular man for president, or for some other office. Party responsibility is a deception and a fraud in most cases and it is particularly so in a state, in a county, or in a municipality. You have well stated that a two branch legislature is one where the responsibility is shifted—where one branch passes a law expecting and hoping that it will be defeated in the other branch. You might well have added that questions in dispute go into conference where they are decided in secret without anyone knowing where any particular member of the conference stands upon the subject, and when resubmitted to the houses the members are compelled to vote it up or down, thus compelling them in order to get what they believed to be good to likewise get what they believed to be bad.

Then you provide for a legislative council elected by the legislature, which in turn selects a legislative clerk who appoints and supervises the legislative employees. The clerk who succeeds will make his trades even before election. He will trade his influence for the promises of the legislator who will vote for him for this clerkship. He will go farther. He will put in the deal an agreement to select any appointees who will be agreeable. This will be the place for trades, a division of responsibility, and the voter will never be able to know just who is responsible.

You anticipate leaders in the legislature who will represent their parties. This will take with it all the evils of partisanship and your legislature will be as bad as it is now, except that one branch will be abolished. Your co-ordination of the governor and the legislature will bring about trades between the governor and members of the legislature. If the legislature will be, as you provide, a large body, which you call representatives, composed mainly of men who you say are really not qualified to legislate, but who are going to get their information from the legislative council, you will find this body a political machine manipulated and controlled, and through this power and influence it will control and handle the members of the legislature.

Why not go to the root of the matter—provide for a smaller legislature, giving them salary enough so that you will get the best talent the state affords and let them get their information first-hand. Let them become experts. Pay them enough so that they can devote all of their time to government, making a business institution of it. Eliminate partisanship entirely, and elect all of its members on a non-partisan ballot, taking it entirely and completely out of politics.

Very truly yours,

G. W. Norris.

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Correction

We hasten to correct an unfortunate error in the editorial section of the August issue, page 490. John N. Edy continues as the efficient and successful city manager of Berkeley, California, and has not been succeeded by Mrs. Mabel Jensen as we had been informed. Mrs. Jensen is the city auditor, having been elected to that position in May, 1927. Also, the present population of Berkeley should have been stated as 80,000, instead of 50,000.

INDIANAPOLIS ADOPTS CITY MANAGER GOVERNMENT

BY MAURICE EARLY

Indianapolis Star

By a vote of 5 to 1 Indianapolis becomes the fifth large city to adopt the manager form. Population 360,000. :: :: :: :: ::

At a special referendum election June 21 the voters of Indianapolis discarded the mayor-council type of government and adopted the commission-manager plan by a vote of more than five to one. A feature of the campaign that preceded the election was that the political parties offered no organized opposition to the manager movement and did not resist its adoption at the polls. But the proponents of nonpartisan municipal government were active and rather thoroughly organized down to the wards and precincts.

LEADING FACTORS IN RESULT

There were many factors which created a public sentiment for a change in the structure of municipal government. Since 1914 the city has been nominally under Republican rule. In spite of the warring factions in the Republican party the Democratic opposition has been unable to muster a victory. Because of the operation of the primary system, party lines in recent municipal elections were broken and so called independent voting increased.

In 1921 the famous auctioneer mayor of Indianapolis, Lew Shank, was nominated on the Republican ticket as a result of a heavy vote for him in the normally Democratic sections of Indianapolis. In the next primary, 1925, the Ku Klux Klan was active in the nomination and later in the election of John L. Duvall, the present mayor, on the Republican ticket. Party lines were again swept away to a large extent. Therefore political party responsibility was largely a farce.

After the campaign for the adoption of the manager plan got under way this spring affidavits were filed by the Marion county prosecutor, charging Mayor Duvall, and his brother-in-law, the city controller, with violation of the corrupt practice act in the election of 1925. As far as the public was concerned this was fuel for the manager campaign.

But no fight was made by the city manager organization against the city administration. Instead the speakers stressed the advantages of the manager plan and insisted that partisanship had no place in municipal affairs. An active speaking campaign was conducted by the manager advocates. Most of the meetings were small community gatherings. The speaking campaign was opened by a dinner meeting at a hotel at which Mayor Murray L. Seasongood of Cincinnati was the speaker.

The rest of the speaking campaign was conducted by Indianapolis people. Only one mass meeting was held. This was Saturday night prior to the election. The largest auditorium in the city was obtained for that meeting and the attendance was not large.

But the vote of the election the following Tuesday was surprisingly large, considering that there were no personalities in the campaign and an abstract proposition was to be decided by the voters. Indianapolis has a potential voting strength of about 130,000. Not more than 100,000 votes are cast in municipal elections, however. The vote on the manager plan was 53,912 for and 9,954 against. Incidentally the vote for the manager plan exceeded the vote for Duvall, which elected him.

SIMS BILL HELPS

Unwittingly those who favor partisan government in municipal affairs removed the natural enemy of the manager plan during the 1927 session of the Indiana legislature. Under the Indiana constitution the form of municipal government is prescribed by statute passed by the legislature. Cities cannot write and adopt their own charters. In 1921 a statute was passed permitting any city in the state by a referendum vote to adopt either the manager, commission, or revert to the mayor-council type. Many referendums were held in smaller cities of the state after the enactment of that law, but only one, Michigan City, adopted the commission-manager system.

In nearly every instance the fight against the adoption of the manager plan was backed by the administration in power. When the legislature was in session last winter the mayors of Evansville, New Albany and Indianapolis were aware that city manager movements were to be prosecuted and elections demanded in June. As the law stood these mayors, if the manager movement was successful, would be ousted from office in the midst of their terms. In order to prevent this the Sims law was passed which provides that change in the form of government will not abridge the terms for which city officials were elected. In Indiana this means that the present mayors will serve until 1930.

While this law was opposed by those who favor nonpartisan municipal government it has worked to further their plans. As the city administrations cannot be effected by the change in the structure of government they were less prone to fight the manager plan. That was the case in Indianapolis.

A suit is now pending in the Indiana supreme court to test the validity of the Sims law. Another suit was filed in the Marion county courts to determine whether the first election of city commissioners under the manager system will be held this fall or in 1929. It was decided that no election can be held until 1929, and this decision has been accepted by the city manager organization.

THE CAMPAIGN

The organized movement for the manager plan started in Indianapolis during the primary campaign of 1925. The active leaders in the movement then and now were Charles F. Coffin, president of an insurance company, John W. Esterline, a manufacturer, and Frank Gates, active in the Indianapolis Real Estate Board. They formed a citizens' committee of 1,000 and obtained signatures of voters calling for the referendum. As the primary campaign was under way the manager proponents decided to wait two years before they would call for the election.

Under the law about 20,000 signatures of voters is needed to call a referendum election. Last spring the citizens committee obtained more than 33,000 signatures, which were filed with the city clerk, and the election was called.

Regular campaign headquarters were opened and Claude H. Anderson, an attorney, was placed in charge as executive secretary and organizer. A man and woman organizer were appointed and they proceeded to perfect a thorough organization of ward and precinct workers.

An experienced newspaper man was employed as a director of the speakers and publicity bureau. A large amount of literature was distributed. Among the pamphlets distributed were "The Story of the City Manager Plan" issued by the National Municipal League, telegrams from the heads of Rotary Clubs in manager cities, giving indorsements of the system, an address by John W. Esterline before the Indianapolis Rotary Club, in which he submitted in detail the reasons for the adoption of the manager system, and other pamphlets quoting the local press. The newspapers of Indianapolis were a unit for the adoption of the plan.

The citizens' committee functioned as a political party. A poll was taken by volunteer workers. Automobiles were obtained for election day to help bring out the vote.

PREPARATIONS FOR ELECTION OF FIRST COUNCIL

Shortly before the election it was apparent that the manager plan would be adopted. Therefore the executive committee of the citizens' committee perfected a platform for the creation of the Indianapolis City Manager League. The business of the League is to elect persons of the proper type to the city commission and to prevent the capture of the new form of government by some minority group or by one or the other of the political parties.

On July 13 the board of directors of the league called a meeting of the ward and precinct organizers in the referendum campaign. They were instructed to work for a membership of 125,000 citizens in the league. House to house solicitation is to be made.

Immediately after the election the board of directors, consisting of about fifty men and women, adopted a resolution asking all friends of the manager system to refrain from being candidates for the city commission or from signing petitions for candidates. In the meanwhile the league directors hope to work out a plan whereby they may present a thoroughly popular ticket of qualified persons.

Headquarters are to be maintained even though it appears that the first election of the seven commissioners will not take place until 1929.

The chairman, Charles F. Coffin has been authorized to name a legislative committee to study the Indiana manager law. Indianapolis is to operate under this law. Many regard it as a very imperfect instrument for a city the size of Indianapolis. It will be the business of this committee to determine what amendments to the law are needed and to seek their passage at the 1929 session of the Indiana legislature. Weaknesses in the law can thus be corrected prior to the first election.

The Indiana law provides for a commission of seven who shall elect the city manager. He need not be a resident of Indianapolis or Indiana. No referendum, initiative or recall are provided. Probably one of the weakest features of the law is that the commission shall be elected by plurality vote. Any person obtaining signatures of voters equal to 1 per cent of those who voted in the last city election may run for the office of commissioner. This means that a candidate must obtain about 1,000 signatures. The seven receiving the highest vote in the election shall be declared elected.

The danger of this plurality system is recognized. Members of the board of directors are now studying proportional representation. It has not been determined whether the legislature will be asked to amend the law to provide for P. R. or for some other method of electing the commissioners.

ST. PAUL'S MUNICIPAL INVESTMENT BANK SUCCEEDS

BY LOUIS DORWEILER

St. Paul

The investment bureau of the sinking fund committee sells certificates in $10 denominations and buys back the city's bonds with the proceeds. Deposits total more than $9,000,000. :: :: :: :: ::

A NEW field of investment for the small purchaser has been developed in St. Paul. Through the investment bureau of the sinking fund committee the muncipality sells bonds to the citizens in multiples of ten dollars, making possible the purchase of sound securities at a fair rate of return. Through this system the city has bought back $9,086,900 of its $23,004,300 outstanding bonds.

The investment bureau of the sinking fund committee was created in 1913 to solve the problem of financing city improvements and meeting current expenditures. At this time the city found an unfavorable market for its 4½ per cent water works extension bonds, and for $2,300,000 tax levy certificates. The sinking fund committee, composed of the mayor, the comptroller and the commissioner of finance, devised the participation plan to meet this situation and opened the doors of the new enterprise to the public August 1, 1913.

CITY MAKES A PROFIT

The plan provides that the city of St. Paul shall sell participating certificates in multiples of ten dollars to its citizens or anyone who desires to buy them. Each investor is limited to $2,500 in certificates unless specially authorized by the investment committee to purchase a greater amount. This provision was inserted in the rules to prevent evasion of the money and credits tax levied in Minnesota. The certificates are payable on demand, but the sinking fund committee may, at its discretion, require sixty days' written notice as a prerequisite for cashing the "bond," a privilege which has never been exercised. The city buys securities with the money realized from the sale of the certificates, and is restricted to purchasing city of St. Paul bonds.

The bonds purchased by the bureau from the proceeds usually bear between 4 per cent and 5 per cent interest. The certificates bear 4 per cent from the time of purchase until the investor cashes his "bond." If the certificates are not redeemed interest is paid semi-annually. The expenses of operation, which amounted to $8,659 in 1926, were paid by the difference between the interest realized from bonds and that paid the certificate holders. The bureau made a profit of $23,071.45 in 1926. The following statement will clearly show the income, expense and yield to the "bank":

	Per Cent
Present yield	4.457
Interest paid	4.000
Gross yield	.457
Overhead	.098
Net yield	.359

DEPOSITS GROW RAPIDLY

Each certificate represents a share in a city bond, backed by the faith and credit of the city, its bonds, taxes and property. It gives the small investor the advantages accruing to the bond holder, for in reality the investor buys bonds in small demoninations. It has an advantage over the postal-savings banks because it pays a rate of interest 2 per cent higher. It has advantages over the savings banks in that the credit of the people is behind every certificate, and a depositor may withdraw his money at any time with interest to date. The bank has prospered from the start.

It has never advertised. The day before the bureau opened, the newspapers presented the plan in detail and in the first three months $150,000 in certificates were sold. At the end of the first eight months the city had sold certificates to the amount of $1,450,920. The total withdrawals during this period were $284,860, leaving a balance of $1,166,160 in the treasury. This amount represents deposits of approximately 2,000 individuals, who held 7,520 certificates. The majority of these certificates were issued to laboring people who make weekly or monthly deposits. The police and fire pension funds along with many trust funds are also invested in the bureau. On January 1, 1927, deposits totaled $9,275,620. It is interesting to note that during the years of bank failures deposits increased more rapidly than in other years.

GRAND JURY INVESTIGATES

In March, 1916, the grand jury headed by a prominent banker, after investigating the bureau, condemned it on the ground that it was not conducted along the best lines of finance and that its charter did not authorize the city to conduct such an enterprise. But the state public examiner, who investigated it, approved the plan and praised the sinking fund committee for their far sighted policy. The bank's opponents then appealed to the state banking department, but this department refused to take action.

As a result of this grand jury report the people started a run on the bank. During its first day, April 1, 1916, the bureau paid out $115,430. The run continued for three days. To meet the demands of the people, the commissioner of finance easily converted the bonds into cash, which he paid out to the depositors. On April 4 the people, finding they had become alarmed over nothing, begun to redeposit their funds.

When the city attorney approved the plan he did it on the ground that the bank was organized under a provision of the city charter authorizing the sinking fund committee to buy and sell city bonds. To be sure that no one would condemn the bank again on its legality, the commissioner of finance prepared a charter amendment, but the charter commission, influenced by outsiders, rejected it. A petition was then drawn up to submit the amendment at the next election, and it was adopted by a large majority on May 2, 1916.

The amendment provides that (1) the sinking fund committee can purchase and make sales for the sinking fund to serve the best interests of St. Paul; (2) bonds of the city of St. Paul and interest bearing certificates of the city held by the sinking fund committee may be sold in fractional parts and in multiples of ten dollars; (3) those that are sold in whole or fractional parts must be kept separate from other securities held by the sinking fund committee, and a complete record of these securities shall be kept by the commissioner of finance and a duplicate copy by the comptroller; (4) the sinking fund committee shall have the power to determine the interest paid on certificates of part ownership; and (5) all profits from fractional sale and purchases shall be credited to a special fund and all expenses incurred in such operations shall be charged to this fund.

BUREAU AIDS THE CITY

From this time the bureau made steady progress, showing a profit each year on its own transactions. In June, 1920, it suffered a loss of $67,569.61, resulting from the sale of its securities on the open market to make possible the purchase of tax levy certificates that could not be sold. It was imperative that the sinking fund committee do this to meet the city payroll and other immediate expenses. This deficit has been steadily reduced through earnings, and the books showed a surplus of $26,291.87 on January 1, 1927.

The books of the bureau are audited daily by an employe of the comptroller's office and annually by the state comptroller. To reduce further the tendency to fraud the commissioner of finance, early in 1921, requested all holders of participating city bond certificates issued prior to January 1 of that year to exchange them for registered, non-transferable certificates. A duplicate certificate is kept by the city. At the same time a card index system was installed in which the signature of the holder and the amount of the certificate is recorded. By calling in certificates for exchange, the deposits of the bureau were increased. The holders of old certificates purchased additional ones in spite of the fact that money was commanding a higher rate on the outside market.

The benefits to the city from this plan are manifold:

1. It tends to increase the price of St. Paul bonds because of the competition it furnishes investment houses.

2. It enables the city to finance without delay improvements that could not otherwise be undertaken.

3. It enables the small investor to invest his money with absolute security and to receive a moderate rate of return.

4. It serves to keep money in the St. Paul district that would otherwise be sent to other money centers in the form of interest payments.

5. It tends to make better and more intelligent citizens, for it brings a closer connection between the city and its citizens.

THE FISCAL POLICIES OF SOCIALIST VIENNA

BY DR. ABRAHAM SONNE[1]

The municipality of Vienna is sound financially in spite of the ruin of the war and extensive socialistic undertakings. Controlled rents make dear money and some taxes, like that on wages, are probably unwise. :: :: :: :: :: :: :: :: :: ::

Everywhere in post-war Europe there has been a marked expansion in the so-called welfare functions of governments. In Germany, for instance, the cost of welfare activities at the present time averages around 32 per cent of the total of all public costs. Before the war the proportion was only 12 per cent. Few European cities have traveled farther along the path of socialized expenditure than the former capital of the Hapsburgs, the "new" or "red" Vienna as it is popularly called by virtue of the socialist complexion of its ruling majority.

At the present writing, fully 40 per cent of the total governmental cost payments of the municipality of Vienna, or approximately $28,000,000 (200,000,000 S), represent disbursements for welfare purposes. More than half of this amount applies to the cost of municipal housing projects. Possessing title to some 36,000 dwelling houses, the city of Vienna is today perhaps the greatest landlord in the world. The extensive program of municipal home building was largely forced upon the city as the result of protective rent legislation originally adopted in 1915 for the duration of the war but continued ever since. This legislation not only affords the most far-reaching protection against eviction but also dictates a fixed rent, thus practically effecting community ownership. The property owner receives in paper kronen, 5 per cent of the pre-war gold valuation of his house. (One paper kronen equals 1/14,400 gold kronen.) Obviously the rate of return allowed is not sufficient to attract new private capital into the housing field, and the program of municipal construction was, therefore, inevitable.

The new duties and responsibilities which the municipal government has assumed since the revolution has naturally resulted in a vast increase of public expenditure. Judged even by the standards of wealthy American cities, the cost of government in Vienna would be considered high. Vienna has a population of 1,800,000 inhabitants. Its budget for 1927 reached a total of $67,750,000 (481,565,270 S). By way of contrast it might be pointed out that Philadelphia, with a population of approximately two millions, had a budget of only $73,733,000 for 1926, although Philadelphia is not particularly noted for the economy with which it conducts its municipal affairs.

As regards wealth and taxable capacity, the two cities are on entirely different planes. Vienna is a big city which has been cut off by the peace treaty from its economic hinterland. It has been impoverished and almost ruined as a result of the war. Nevertheless, in spite of the economic difficulties with which it has constantly been beset, the city administration has, without resorting to loans, somehow managed to raise by taxation the enormous sums necessary to finance its social program. Today the city of Vienna has a cash balance in its treasury which the officials of the most opulent American cities might well envy. What is the nature of the revenue system by means of which this seeming miracle has been accomplished?

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[1] Dr. Abraham Sonne, who studied in Vienna and Berlin, is not only a trained economist but a student of European philosophy, languages and literature. Before the war he was a lecturer at the Teachers' College in Jerusalem, and after the war was for a time executive secretary of the Zionist organization. He is at present living in Vienna.

VIENNA'S PRESENT GOVERNMENT

Before considering in detail the various sources of municipal revenue, it may prove instructive to take a hasty glance at Vienna's present machinery of government. The Viennese municipal council comprises one hundred and twenty members, of whom seventy-eight at present belong to the Social-Democratic party. The council elects the mayor and the city senate, which now consists of twelve members. Administrative activity is organized into eight departments. At the head of each department is a city councillor chosen by the council from the membership of the senate and holding office for five years. The city administration, therefore, has its basis in the mayor and the city councillors.

The Viennese municipal government enjoys an unusual degree of local autonomy. "Little Austria" gave itself a constitution, which in spite of narrow territorial boundaries provided for a federation of states. Each state has its own legislative assembly. Vienna was separated from the old province of Nieder-Oestereich and given the status of an independent province of the Austrian Republic. The Viennese municipal council consequently exercises a dual function. It is a provincial as well as a municipal legislative body. Similarly the mayor, in addition to his municipal duties, exercises the functions of a provincial governor. The senate also acts as a provincial as well as a municipal body. In addition, the senate acts as a court of appeals against the decisions of the council.

It will be seen that Vienna is at one and the same time a municipality, a political precinct and a province. To the city council in its capacity of provincial assembly, as to all other state diets of Austria, belongs the power of legislation, in so far as this power does not conflict with that of the national parliament. As a state legislature the city council is empowered to prescribe and levy taxes. This far-reaching autonomy made possible the adoption of Vienna's new financial policy, credit for which belongs to her most distinguished and also most severely criticized councillor, Herr Breitner, commissioner of finance.

Before the war almost half of Vienna's revenues consisted of the city's share of the state tax on house rents. This tax absorbed 40 per cent of the peace-time rentals of house owners, and was divided between the state and local governments. In addition, the city had at its disposal the proceeds of a consumption tax on meat, alcohol, etc., and realized a net profit on its municipally owned public utilities (street railways and electric, gas and water works). After the revolution, the new régime found itself confronted by an empty treasury. Moreover, price inflation had diminished the yield of the tax on house rentals. It was at this juncture that City Councillor Breitner, who had formerly been a bank director, introduced his new scheme of taxation. The present tax revenues of the city may conveniently be divided into three general groups: (1) luxury taxes, (2) business taxes and (3) federal taxes in the proceeds of which the municipality shares. At the beginning of the year 1926 over twenty different municipal taxes were in force.

LUXURY TAXES

The so-called luxury taxes comprise the following specific imposts:

1. *Amusement tax.* This varies from 5 per cent to 33⅓ per cent of the gross receipts derived from theatrical and other exhibitions and performances. Preliminary estimates for 1927 place the expected yield of this tax at $1,893,000.

2. *Food and drink tax.* This amounts to 15 per cent of the gross receipts of restaurants and food establishments designated as coming within the luxury class. The ordinance provides that the number of enterprises to be so classified may equal a third of the total number of food and drink purveying establishments within the city. Preliminary estimates for the current year place the yield of the tax at $1,829,000.

3. *Automobile tax,* figured on a basis of horse-power. The annual tax on a Ford car, for example, amounts to $232.

4. *Tax on house servants,* where two or more servants are employed. For the second servant the tax is $7 per annum. For each additional servant, the tax is $35 greater than for the previous one. In the case of male servants the rate of the tax is doubled. At the close of 1925 the number of households paying this tax numbered 7,864. One large establishment with 39 servants is known to have contributed over $50,000.

5. *Taxes on animals and commodities.* These include a tax on horses, a tax on dogs and a 12½ per cent sales tax on articles of luxury. The latter has recently been taken over by the federal government as part of a sales tax on commodities.

BUSINESS TAXES

The second general group of municipal imposts are designated as business taxes. The most important of these may be enumerated as follows:

6. *Tax on wages (fürsorgeabgabe).* This is fixed at 4¹/₁₆ per cent and in the case of banks at 8½ per cent of wages and salaries actually paid out. It is imposed upon the business enterpriser regardless of whether his undertaking yields a profit or not and may not be shifted to the wage earner. Despite its name, the tax is not levied for any special application. Its yield for 1927 is estimated at $4,967,000.

7. *Privilege taxes* on printers, booksellers, hotels, etc.

8. *Lodgings tax* on hotels and boarding houses, ranging from 10 to 20 per cent of room rentals. In the case of room and board, 33⅓ per cent of the total receipts are taken. The revenue from this source is estimated at $633,000 for 1927.

9. *Placard tax.*

10. *Advertising tax* on newspaper insertions.

11. *Tax on voluntary auctions,* art sales, etc., 7 per cent of the gross receipts.

12. *A series of administrative fees.*

13. *Fire insurance tax,* one third of the gross premiums.

14. *Water power tax.*

15. *Land tax.*

16. *Unearned increment tax* on transfers of real estate, steeply graduated as to rates.

17. *House tax.* A progressive tax on the pre-war rental value of houses, reckoned in gold kronen, and imposed on all householders. The highest bracket carries a tax of 36½ per cent. Estimated yield for 1927, $4,967,000.

The municipality benefits hugely

through its participation in various federal taxes such as the business tax, the personal income tax, the tax on income from investments, the corporation tax, local additions to the real estate tax, etc. Its share of the proceeds of these taxes ranges from 40 to 50 per cent, and in one particular case reaches as high as 80 per cent. According to the report of the federal department of finance the municipality's receipts from federal sources amounts to approximately $14,773,000.

WHAT THE BUDGET PROVIDES FOR

The budget for the year 1927, which Councillor Breitner has recently made public, provides for a total expenditure of $67,750,000. This represents an increase of $7,191,000, or 10 per cent, over the preceding year. The receipts are estimated at $58,276,000, which is likewise 10 per cent above the receipts of the previous year. It will be seen that there is estimated revenue deficit of $9,474,000, which will be provided for out of the existing treasury surplus.

It would be a mistake, however, to take the threatened deficit too seriously. After the fashion of many very wealthy people the commissioner of finance seems to have a keener eye for impending deficits than for surpluses. As a matter of actual fact the receipts of the last few years, especially the proceeds from federal taxes, have considerably exceeded the preliminary estimates. Thus, the final balance for 1925 showed a revenue surplus of $7,964,000, although a deficit of $8,300,000 had been predicted.

The outstanding feature of the 1927 budget is the size of the appropriations for capital outlays which amount in the aggregate to about $42,000,000. Of this sum approximately $16,600,000 have been appropriated for housing construction. During the three years from 1924 to 1926 inclusive the city spent a total of $37,426,000 in carrying out its municipal housing program. The appropriation for the present year will just about finance the construction of 9,000 dwellings.

In addition to housing, the budget provides for many other capital outlays having to do with welfare activities. Appropriations have been made for the construction of additional public baths, public parks and gardens, athletic fields and playgrounds. Provision has likewise been made for the improvement of the water supply system, and for the extension and improvement of the system of public markets, cold storage warehouses, etc.

For current social service activities the budget carries an appropriation of approximately $10,300,000. The long drawn-out period of unemployment shows its effects, not only in the growth of disbursements for unemployment relief, but in the increased requirements of all other welfare departments. Allowances to destitute families and the upkeep of municipal institutions, especially insane asylums, exhibit a marked upward trend. A similar situation exists as regards the care of the tubercular. In this connection mention should be made of the increasing emphasis being placed on the care of infants and children, which has been responsible for a heavy increase in expenditure. For the first time in the city's history a special item has been provided in the budget for the development of athletics and physical education.

ARE RESOURCES ABLE TO MEET THE STRAIN?

Are the financial resources of the city adequate to finance its ambitious social program? An idea of the productivity of Vienna's present revenue system may be gained by comparing its income with that of the federal government. The total annual revenues of the federal government, excluding amounts returned to the states and localities, average around $129,500,000. As previously pointed out, Vienna's estimated revenues for 1927 reach a total of over $58,000,000. The city's standards of public administration are considerably higher than those of the national government. This is brought out by the fact the average salary of municipal officials is 30 per cent greater than that of national officials.

Even more striking evidence of the secure financial position of the city may be cited. Its revenues include an item of $942,000 representing interest received on current cash balances. Another item of $1,300,000 represents interest received from investment institutions and banks. If these two items are capitalized at 6 per cent, it becomes evident that the city possesses a fortune in liquid funds aggregating in excess of $36,000,000. This is certainly a most unusual tax reserve! It fails, however, to furnish a complete picture of the total resources of the municipality, since it does not take into account the city's very extensive investments in various industries, particularly public utilities. Up to the present, the administration has declined to make public any information as to the total net worth of the city.

In view of the above situation, it is easy to understand the increasingly lively protests emanating from business and industrial circles against the fiscal practices of the city and against the multiplicity and vexatious character of its taxes, not to speak of their effect upon industry. Vienna has an overwhelming importance in the economic life of the Austrian Republic. That little country is located at the very seat of the economic illness with which Europe is now afflicted. It is hemmed in on all sides by tariff barriers. After the tremendous losses of the war and of the subsequent periods of inflation and deflation with their train of evils resulting from speculation, it is little wonder that Vienna finds the burden of taxation an exceedingly grievous one. Active opposition has developed to the policy pursued by the municipality in financing its extensive program of capital improvements entirely out of the proceeds of taxes and without recourse to loans. It is contended that the spreading out of this burden over a longer period of years through the flotation of a loan would be more appropriate to the needs of an economically weakened generation.

It is maintained that the taxes on business, especially, have a tendency to destroy capital. It is pointed out, for instance, that such a crude measure as the tax on wages cannot possibly be uniform in its effects, nor conform to the principle of taxation according to ability. Since it pays no attention to the earning capacity of business enterprises, it is extremely likely to appropriate the actual capital source. There can scarcely be any doubt that taxes of this kind have the effect of postponing necessary readjustments and improvements and of suppressing competition.

With the breaking up of the mortgage market through its rent legislation, Austria deprived herself of a most important basis of credit. Before the war, the aggregate volume of outstanding first mortgages totaled at least double the amount of Austria's present League of Nations' loan and the interest rate, moreover, was only about 3 per cent. Today, credit on first mortgage security cannot be obtained in Austria for less than 12 per cent.

On the other hand, it must be borne in mind that a lifting of the rent laws would require a radical increase in wage and salary levels, which the industry of the country, under present conditions, would not be in a position to stand. Under the existing situation, the protective rent legislation cheapens labor costs, but it makes money exceedingly dear. Any change in the present rent measure is highly problematic. Such being the case, if the municipality continues its program of capital extensions and improvements the problem of floating a loan will have to be faced sooner or later.

The present municipal administration came into power during a time of dire distress, and this fact colors all its policies. It will stand to the lasting credit of Finance Commissioner Breitner that he proved more skilful than the private speculators in reaping advantages for the municipality during the catastrophic period of inflation. He profiteered, but his gains inured to the benefit of the city. There is no doubt that the ownership of much of the property which he accumulated would have passed into foreign hands had it not been for his efforts. He won a fortune for the city and invested it in productive municipal enterprises and improvements.

The city of Vienna is today practically free of debt and, considered solely as a government, richer than ever before. No better credit risk could be found in all Austria. Yet the municipality has up to the present shown no especial desire to utilize that credit. Perhaps it finds it difficult to emancipate itself from the methods through which it became powerful and which at the time were both legitimate and necessary. Nevertheless, one could not go very far astray in hazarding the opinion that the economic interest of Austria as a whole, even were it under the complete domination of the Social-Democratic party, would be furthered by a change in the present financial policies of the city.

HOUSING IN CANADA

BY BLEECKER MARQUETTE

Executive Secretary of the Better Housing League and the
Public Health Federation of Cincinnati, Ohio

Prices of urban land in Canada are from 100 to 750 per cent higher than in England. :: :: :: :: :: :: :: ::

The Research Committee of the Social Service Council of Canada after careful consideration selected housing as one of the major subjects for consideration during 1926. The committee reached this decision because of its conviction that Canada has a housing problem and that something must be done to check its development if the Dominion is to save itself future trouble. The committee appointed A. G. Dalzell a consulting engineer of Toronto to study the situation. This report is confined to a paper by Mr. Dalzell entitled "Housing in Relation to Land Development" in which he expounds his theory that bad housing is largely the result of an unsound land policy.

While a large proportion of Canadian citizens are fairly well housed, perhaps a larger proportion than in many other countries, there are, nevertheless, slum areas in most of the large cities, indicating the danger that the evils of housing which have developed in the older countries may be repeated in Canada.

People familiar with housing in the United States are not surprised that Mr. Dalzell finds that Canadian cities and towns have their quota of bad housing. Nor are we surprised to learn that single family dwellings are not being built for poorer families nor that the poor have to live in the left-over dwellings and tenements. The problem that Canada faces is to a large extent the same as our problem, except perhaps to a smaller degree. With Mr. Dalzell's statement that "every effort should be made to encourage families to install modern conveniences in country homes" we can agree. There can be no quarrel either, with his conclusion that "the development of small communities must be guided and controlled in the early stages and that provincial regulations are needed to prevent the creation of rural slums outside of cities.

HOUSING IN URBAN COMMUNITIES

Convinced that there is little hope of any relief in the cost of actual building operations, Mr. Dalzell pins his hope for low cost housing on reduction in the price of land and the cost of improving land. He presents a considerable fund of interesting data showing the great loss entailed in the haphazard land development which spreads out communities unnecessarily, the result of which is undeveloped land through which the community has laid street pavements, sewers and other utilities at great expense. Many sections of Canada, he contends, are not able to afford the cost of proper community development and maintenance due to this careless land development. He also quite properly condemns the practice of dividing home sites into narrow lots, many of which are not more than 20 or 25 feet in width. He cites one city with a population of 50,000 people so sub-divided that if all the lots were built upon, this small city could take care of a population of over one-half million people within its present limits.

Mr. Dalzell contends that land values are extraordinarily high in Canada due to this practice. He quotes a well-informed United States authority to the effect that "land values in Canada in proportion to population are in excess of those prevailing in any other region of the world." Land in Great Britain can be secured for $940 an acre as compared with costs running from $1,900 to $8,000 an acre in Canada. A by-product, he claims, is congestion in spots and on the other hand unnecessary dispersion of population. Housing surveys in some of the Canadian cities show an alarming tendency toward room overcrowding with a constantly increasing number of families living in a single room.

In his final summary the author states "Zoning and housing laws are required to ensure that dwellings, even if built in accordance with building by-laws, are at the same time protected as regards their surroundings. More attention needs to be paid to the construction of dwellings so that they can be kept warm in severe weather without the excessive expenditure of fuel. Regulations are needed to control the placing and the building of multi-family dwellings so that they do not harm the single family dwellings."

One is somewhat disappointed that Mr. Dalzell's report dealing as it does almost wholly with land development fails to point out a definite method by which the evils of which he complains can be corrected except as city planning and zoning may help. Even if the land problem in Canada could be solved might not high building costs make it just as difficult there as in the United States to construct low cost houses? Unless some other method than decreasing land costs is worked out it seems likely that the poorer families in Canada as in the United States will continue to live in left-over houses.

KENTUCKY ADVANCES IN MOTOR COACH REGULATION[1]

BY JOHN J. GEORGE, JR.
University of Michigan

A new officer, the commissioner of motor transportation, is charged with full responsibility for motor bus regulation. :: :: ::

THE modest beginning made by Kentucky in 1924 in motor coach regulation soon proved inadequate, and before the end of 1925 plans for improving that regulation were taking form. In 1926 a comprehensive scheme of regulation was enacted and a new regulatory agency was put in operation.

Jurisdiction over motor transportation was taken from the highway commission, and placed in the hands of a new and independent administrative agency, the commissioner of motor transportation. The commission is appointed by the governor for four years, and responsible to the governor. Ex-Senator Kelly, in immediate control of motor coaches under the state highway commission since 1924, was promptly appointed to the post. Aiding the commissioner are two assistants and an inspector, all chosen by the commissioner and responsible to him.

Any person desiring to operate motor coaches over the roads of the state must now secure a certificate of convenience and necessity from the highway commissioner, who may grant or deny the application. Certificates must be renewed annually.

RELATION OF COACHES TO RAIL-CARRIERS

When application for a certificate of public convenience and necessity is made with the intention of competing with a rail-carrier, the commissioner determines whether the existing rail service is adequate. In the instances where rail service has been deemed sufficient, certificates have been denied non-rail applicants; likewise where existing service as furnished by rail and coach is judged adequate, further certificates to operate coaches have been refused.

In granting certificates to establish coach service on a route hitherto without such service, or with inadequate service, the commissioner recognizes no "priority" claims as attaching to the rail-carrier as over and against the non-rail applicant. It is primarily a matter of who files application first. If a coach operator or a would-be coach operator files application ahead of rail-carrier, and satisfies the commissioner that he is willing and able to furnish adequate service, he will get the certificate.

Thus far, rail-carriers have shown little desire for certificates to operate coaches. Their earlier attitude of quasi-contempt for the newer mode of transportation is tending toward one of open hostility now, as evidenced in their increasing protests against recent applications for certificates by non-rail parties.

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[1] Mr. H. W. Barkhau has assisted noticeably in the collecting of material for this article.

In view of this situation proper coördination of coach and rail service, constituting as it does an important feature of regulation in some states, is not only non-existent in Kentucky but cannot be expected in the near future.

Granted a permit to operate, the recipient must now deposit with the commissioner a satisfactory liability insurance policy or bond, the amount ranging from $10,000 maximum for a 1- to 7-passenger vehicle, to $20,000 for a 21- to 30-passenger coach. To this requirement against personal injury liability is added a requirement of $1,000 insurance against property damage regardless of the size of vehicle. In lieu of the insurance the commissioner may accept a financial statement of applicant showing him able to pay damages that may be declared against him in the course of operating the coach line. Since the cost of this insurance on the average 24-passenger coach in Kentucky amounts recently to about $315 a year[1] the operators can be depended upon to seek a waiving of the insurance requirement. Here is a broad discretionary power in the hands of the commissioner, and one the exercise of which requires a high degree of efficiency and a keen sense of justice, fraught as it is with great dangers to the non-favored operator and to the patronizing public.

As a pledge of good faith the recipient of a permit must begin to operate within sixty days. This provision of the law emanated from the commissioner, who is stoutly opposed to an operator's preëmpting a route and neglecting to develop it until more favorable circumstances develop.

SAFETY REQUIREMENTS

Safety requirements have been noticeably tightened up. Satisfied as to the experience of the driver and physician's statement of his physical fitness the commissioner issues to him a driver's certificate for which he pays a fee of $12.50; the certificate is renewable annually, the same fee being paid for renewal. A driver's badge is issued to the applicant who wears it while on duty. The caliber of the coach drivers has been much improved; yet the requirements are not unduly restrictive as seen in the fact that 90 per cent of the applicants are granted certificates.

Further safety requirements are expressed in provisions that no load shall exceed 25 per cent above seating capacity, that no passengers shall be allowed to ride on running boards, that the maximum width of vehicles shall not exceed 90 inches, and that the speed limit on open highways shall not be greater than 40 miles an hour. Municipalities, allowed under the law to prescribe speed limits through their jurisdiction, usually specify 15 to 20 miles per hour.

RATES OF FARE AND TRANSFER OF LINES

In his application for permit the prospective operator sets forth his proposed tariff schedule on the basis of such factors as topography, condition of highway traveled and the rates charged by other carriers; and the commissioner either allows or disallows the proposed fares. Since the operator at the first of every year must indicate to the commissioner the rates he wishes to charge for the ensuing period, the fare is automatically reviewable by the commissioner annually, and more frequently if necessary. Sometimes a fare of 6 cents per mile is permitted in the mountainous districts, while 3½ cents is quite common in level areas. This distinction is only in keeping with the difference in cost of operation resulting from variations in topography. A relatively low fare of approximately 2½ cents a mile is charged by the Consolidated Coach Corporation on the Lexington-Cincinnati line; from the cost-of-operation point of view this line is not an ideal one. Two railway lines, the Louisville and Nashville, and the Southern, are competitors for the traffic, the latter operating nine trains daily each way.

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[1] Statement F. M. Rice, President, Transit Underwriter's Corporation, Chicago, Ill. This company has issued about 75 per cent of the motor coach insurance in Kentucky.

Transfer of lines from one operator to another must receive the approval of the commissioner, who must be satisfied as to the financial status of the transferee. A good deal of merging has taken place in Kentucky in the last six months, the leading example being the combination of five independent operators into the Consolidated Coach Corporation, to continue for 50 years, capital stock consisting of $750,000 preferred and 7,500 shares of common with no par value, and enjoying a debt limit of $2,000,000. Claimed advantages of merging easily include elimination of much competition, replacing less up-to-date equipment by more modern, decreasing the cost of overhead, and possibly increasing the ability to pay damages thereby securing exemption from the heavy liability insurance requirements. At all events, three weeks after the merger the "Three C" lines announced a reduction in fares on twelve of their routes, the reduction amounting to 14 per cent, 16 per cent, and even 20 per cent of the fare.

TAXATION

Taxation of the motor coach operators was a question of prime importance in the 1926 legislature. When the matter was first brought up the state showed a strong advocacy of a tax on gross receipts. But the operators, well marshaled and maintaining an effective lobby, put up such opposition that the tax scheme agreed upon constitutes a real compromise.

The bases of taxation include a seat tax ranging from $5 per seat for vehicles of 5-passenger capacity and less to $15 a seat for a vehicle of more than 20 passenger capacity, a gross weight tax of $1 per hundred pounds, and a bus tag fee from $10 to $50 per vehicle according to capacity. In return for the state's foregoing the gross receipts tax, the operators supported the gasoline tax law. Perhaps the operators felt that the five-cent gasoline tax would tend to discourage private purchase and use of motor vehicles and thereby encourage the public to use the motor coach. The public service franchise tax law was so amended as to include motor coach lines, and the validity of so making them subject to the franchise tax has been upheld.[1] It is estimated that the motor transportation agencies are now paying $200,000 a year into the state treasury.

Who was the chief beneficiary of the taxation compromise is a question on which much diversity of opinion exists. One authority takes the ground that the state in increasing its revenue from this source 200 per cent is the chief gainer; but another admits that the compromise favors the operators and not the state.

Receipts from all taxes, except from gas and franchise tax, go to the maintenance of the commissioner's office and staff, the residue being turned into the state fund for road upkeep.

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[1] *Reo Bus Lines* v. *E. H. Fuller, Sheriff*, decided by Judge Richard C. Stoll in Fayette Circuit Court, November 29, 1926, affirmed by Court of Appeals, February 4, 1927.

CONCLUSION

Commissioner Kelly believes a marked improvement of the service has resulted already from the thorough inspections made by his assistants and places the improvement at 100 per cent. He feels now that coach patrons enjoy protection equal to that of patrons of other common carriers. President Kittrell of the Kentucky Bus Association is of the opinion that as time passes the effectiveness of the inspection will be established.

The present regulation possesses some weaknesses, two of which deserve mention. The "casual trip" clause and the franchise tax are difficult questions, the treatment of which affects interests and persons far removed from those immediately concerned. How frequent or extensive can operation be and still be included under "casual trip"? What the franchise tax lacks of producing revenue to the treasury it promises to yield in litigation.

Competition is to be preserved, but not unlimited competition. This is seen in the fact that the burden of proof is placed on the applicant for permit to operate on a route already served by two lines. Merging is contributing powerfully to limiting competition, even to destroying competition.

Creating an independent regulatory agency, and entrusting to its hands such broad powers are distinctly progressive steps. Himself a former legislator, Commissioner Kelly is the chief author of the recent law; and his experience as administrator, his attitude of fairness, and seriousness about his job can be depended upon to give all a square deal in the working of the new scheme.

WOMEN AS LOBBYISTS

BY WILLIAM A. BOYCE, JR.
City Clerk, Indianapolis

If you want your bill passed by the legislature, writes Mr. Boyce, enlist the services of one or more attractive, keen-witted and resourceful women to lobby it through. :: :: :: :: :: :: ::

It has been generally conceded that women have demonstrated their ability to compete upon terms of equality with members of the opposite sex in every line of human endeavor formerly preëmpted by mere man, even from the lowly profession of steeplejack to the high political preferment of governor. It has remained for Indiana, frequently the pivotal political state of the Union and situated in the heart of America, to furnish new and convincing evidence of women's versatility in the realm of politics by an unprecedented exhibition of the lobbying proclivities of members of the fair sex during the sixty-day session of the seventy-fifth Indiana General Assembly held in the Capitol at Indianapolis last winter. Indiana has not yet experienced the novelty of being governed by a woman, with the emphasis on the yet. But from the lack of that one experience it should not be inferred that Indiana women are not as adept in politics as are their sisters in other states more fortunate in that one respect, or unfortunate, according to the point of view.

TWO WOMAN LEGISLATORS

The Indiana general assembly is composed of fifty senators and one hundred representatives. The seventy-fifth session which closed on March 7 last included one hundred forty-eight men and two women, the latter two being Representative Ella Van Sickle Gardner, Republican of Indianapolis (Marion county) and Representative Clara Mason, Republican of Terre Haute (Vigo county). Mrs. Mason enjoyed the support of the regular Republican organization in her county, both in the primary and the election, while Mrs. Gardner had to fight her way through the opposition of the Marion County Republican organization, headed by the county chairman, in order to secure her nomination in the primary.

WOMEN INTRODUCE POPULAR BILLS

One of the bills introduced by Mrs. Gardner in the house of representatives which caused a great deal of alarm in the ranks of the old line politicians of Indiana was House Bill No. 112, more commonly known as the Fifty-Fifty Bill. The primary object of this bill was to compel fifty per cent representation of women on all party organization committees, from the precinct committee to the state organization committee. A large number of enthusiastic and sincere women of both parties lobbied daily and strenuously for the passage of this bill and did finally succeed in getting it brought to a vote on the floor of the house in the closing days of the session. Just before the vote was taken on this measure the thirty-seven Democrats in the house held a party caucus and decided that it would be a good political stroke for them to vote solidly for the passage of this woman's bill, thereby hoping to make a favorable political impression on the women in the state of Indiana and to capitalize on this sentiment in the next state election. However, their Republican friends heard of their plan and decided to do likewise, no doubt for similar reasons, and the result of the political maneuvering was that only a single negative vote was cast against the bill. The politicians of both parties then lost no time in seeing to it that the bill was lost in the senate where it was laid carefully away to a final resting place in the senate committee on elections. Whether the women voters of Indiana appreciate this empty political gesture made by their would-be friends of both parties in the house by passing the Fifty-Fifty Bill almost unanimously only to see to it that it was promptly killed in the senate, remains to be seen after these solons have stood for reëlection in the next campaign. It was one of the woman lobbyists for this so-called Fifty-Fifty Bill, who evidently must not have been noted for her beauty, concerning whom the writer overheard one of the legislators make the terse remark one day: "She may not be good looking, but she could stay at home."

Representative Clara Mason of Vigo county was the author of but two bills during the entire session of the legislature. In both of these bills the women of the state were intensely interested but from decidedly different viewpoints. The first of these, House Bill No. 158, was known widely as the "Beauty Bill" and provided for a system of state licenses for beauty parlor operators and "Cosmetologists." The second, House Bill No. 286, provided for the reading of the Holy Bible in the public schools. This latter bill, which naturally had the support of a well-known bloc of religionists, never came to a final vote in the house. Strange to say the Bible Bill, as it came to be known, was both supported and opposed by woman lobbyists. One woman lobbyist in particular, who was said to have represented the Seventh Day Adventists, was present every day on the floor of the house working up and down the aisles beseeching the legislators to vote against this bill.

THE BEAUTY BILL

The Beauty Bill however had a colorful career in both the house and the senate. A score or more of attractive, vivacious young women, mostly beauty operators, appeared on the legislative scene early and remained late to lobby for the passage of this bill. The reader may rest assured that not a single legislator escaped from the persuasive charms of these artful lobbyists. One of the representatives became so popular with the lobbying beauty operators as to be styled by his colleagues, "The Beau Brummell of the House." When interest in the passage of the Beauty Bill was at its peak it was noted by the spectators that quite a goodly number of the legislators had their wives sitting at their side during the session but it was never definitely established whether the wives came to interest themselves in the passage of the Beauty Bill or to keep their husbands' interest centered solely on the legislation before them.

It might be well to mention here that the master barbers' association also had a bill pending in the house providing for state licenses for barbers with a number of sanitary regulations for barber shops. This bill, officially known as House Bill No. 125, was passed by the house on February 10 with a margin of one vote. On February 16 the Beauty Bill passed the house by a vote of 63 ayes to 25 noes, thereby attesting to the superior lobbying ability of women. Immediately after its passage, Representative Clara Mason sent a motion to the speaker's desk asking that the house rule against smoking in the house chamber be suspended as an indication of her appreciation for the vote given her bill.

The beauty lobbyists immediately transferred their activities to the senate where their bill was destined to have a stormy but successful career; it will be noted that both the "Barber Bill" and the "Beauty Bill" were thus pending in the senate. It was rumored in certain quarters of the legislative lobbies that the barbers and the cosmetologists had reached an understanding whereby each was to assist the other in getting their two bills through the senate. It was generally understood that the beauty operators were to manipulate the Barber Bill through the senate first and then the barbers, like knight-errants of old, were to come to the rescue of the Beauty Bill and put it across. Whether such an arrangement actually existed or not the writer does not attempt to say, but it was no uncommon sight in the hallways and lobbies of the State House to see the tonsorial artists walking and talking arm in arm with the attractive cosmetologists—erstwhile business competitors but now working harmoniously together for the passage of their two respective bills.

Results are what lobbyists are always after and it is results that they generally get. The barber's licensing bill did pass the senate ahead of the "Bill to regulate the practice of hair dressing and cosmetology." The Beauty Bill did pass the senate but with several amendments making it necessary to send it back to the house for its concurrence therein. While the bill was in this stage the senate, in a cantankerous mood, suddenly adopted a motion to recall the Beauty Bill from the house and reconsider the vote by which it had passed the bill with amendments. This abrupt and unexpected turn of events in the senate caused consternation in the ranks of the beauty operators who were lobbying the bill through and actually caused one of their number to faint in a cloakroom where she was revived by a physician member of the senate who had been hurriedly called from his post of legislative duty. When the next day dawned, however, the storm cloud had passed and all was serene; the attractive woman lobbyists evidently had been successful in smoothing out their difficulties of the day before, for the senate again reversed itself by killing its motion of the previous day, again sent the bill to the house where the senate amendments were quickly concurred in by that body, thus sending the bill to the governor for his signature or veto.

The fatigued but successful lobbyists packed up their respective kits of tonsorial tools and cosmetology implements and returned happily to their homes only to be rudely shocked a week later into a realization of the old proverb, "There's many a slip betwixt the cup and the lip," when the governor gave both the barber and cosmetology bills a pocket-veto.

A KIND-HEARTED LOBBYIST

Of all the women lobbyists with which the seventy-fifth Indiana general assembly was blessed probably the most persistent yet most unsuccessful of them all was the sweet little woman who appeared in the early days of the session and stayed to the last wee hour to persuade the legislators to pass a bill to prohibit the amputation of the tails and ears of dogs. This little married woman with the pink flush of healthful vigor in her countenance, labored every day of the session for the passage of her bill to save man's best friend from the brutalities practiced by those who so incorrectly term themselves sportsmen. This persevering woman managed to get her bill passed by the senate only to find it impossible to extricate it from the house committee to which it had been referred for burial.

Another bill which attracted the sympathetic support of a kind-hearted lobbyist was Senate Bill No. 247, which was a bill to protect the American bald eagle. This particular lobbyist was a middle aged lady who consistently buttonholed every legislator in the interest of the bill to give the state's protection to the eagle. That her efforts were not in vain is shown by the fact that the bill was passed and signed by the governor. When the final vote was being taken on this bill a Democratic representative arose to explain his vote against the bill, saying, "The only bald eagle I ever saw was on a printed Republican ballot. Therefore, I vote *no*."

A TEACHER'S TENURE BILL

One of the really constructive and beneficial laws passed by the seventy-fifth Indiana general assembly was House Bill No. 145, more commonly known as the Teacher's Tenure Bill, because it provided for permanent teacher's licenses after five years' continuous service except in cases of gross immorality or insubordination. Three energetic woman teachers with the perseverance peculiar to their training lobbied for this bill in both the house and senate. There was a great deal of opposition to it by school superintendents and politicians but the fact that the bill passed the house with 66 ayes and 22 noes is evidence of the effectiveness of the lobbying activities of these three woman teachers. It also passed the senate by a safe margin and was approved by the governor on March 8. This bill, which has now become a law, will have far-reaching and beneficial effects on the educational system of Indiana. Its passage is a tribute to the political sagacity and lobbying proclivities of the fair sex in Indiana.

SALARY GRAB BILLS

The most remarkable feature of the entire session of the seventy-fifth Indiana general assembly was the tendency to pass bills increasing somebody's salary. The range in offices affected by this proclivity went from county councilmen at a salary of twenty dollars per year to county and supreme court judges with their salaries increased to ten thousand dollars per year. In almost every instance one or more women lobbyists were to be found lobbying for the passage of these salary grab bills. They were to be found daily in the chambers of the house and senate, in the lobbies and corridors of the State House, in the hotels and club lounge rooms and at the social affairs given in honor of the legislators. One case in particular comes freshly into the writer's mind as an example of the scope and effectiveness of this different type of woman lobbyist. The city administration of one of the large cities in Indiana was interested in securing increased salaries for several prominent members of their administration. These increases sought amounted to several thousand dollars per year. For several weeks of the latter part of the session of the legislature, this city administration kept an attractive girl employe of one of its important departments constantly at the State House looking after the interests of the administration's salary increase bills. This astute young lady daily walked up and down the aisles of the house and senate clothed in a beautiful fur coat soliciting the legislators to vote for the salary grab bills in which her public employer was selfishly interested. The head of the city department in which this fair lobbyist is employed told a friend of the writer's that he felt sure that Miss —— could do more good in the legislature than she could on her job in the city hall. One of the salary grab bills for which this young lady lobbied was passed but received the pocket-veto of the governor while another omnibus salary increase bill for which she had lobbied long and hard was passed in the house, then passed in the senate and finally reconsidered by the senate and killed in the last few hours of the midnight session of the legislature on its closing day.

It will be noted by the reader that whenever the pressure of the lobbyists became too strong behind a bill in either the house or senate which was really not desired by the politicians the inevitable maneuver was to pass it in one house and have it killed outright or stifled in committee in the other branch of the legislature. Thus do even senators and representatives of the people pass the buck to one another. They are not to be too severely criticised, however, for the responsibility of looking after the interests of their constituents in the face of a host of men and women lobbyists, some advocating and others opposing legislation, is a burden that is heavier to bear than the public is apt to believe. On the other hand, the life of a lobbyist is one full of pitfalls and reverses, as it is impossible to forecast the probable action of a group of men and women legislators torn between their duty to the people who elected them, their political debts and bondage to political bosses, their personal friendships and enmities, in addition to whatever conscientious scruples they may have regarding the legislation upon which they are called upon to act. But, nevertheless, my experience with the 1927 Indiana general assembly as an interested spectator convinces me that the best and surest way to secure the final passage of a bill is to enlist the services of one or more attractive, keen-witted and resourceful women to lobby the bill through, trusting purely to luck that the governor will affix his signature.

Women, indeed, have an important part to play in the political arena, not the least of which is that of legislative lobbyist, although certain questionable tactics practiced in the legislature under discussion should be discouraged by every respectable person.

MASSACHUSETTS ADOPTS NEW COMPENSATION PLAN

BY FRANK O. EVERETT AND E. O. GRIFFENHAGEN
Griffenhagen & Associates, Ltd.

Old classification of state employes becomes obsolete, necessitating a new classification with procedure for keeping the plan adjusted to changes in a growing service. :: :: :: :: :: :: ::

DISSATISFACTION of officials of the state of Massachusetts with the rates of compensation in effect, and with the methods by which the rates for individual workers were determined, led to a resolve of the legislature in the spring of 1926 for a review of the whole schedule and system in effect. The task was assigned to the commission on administration and finance as the body charged with determining the numbers, kinds, and rates of pay of positions in the service. This body chose the firm of Griffenhagen & Associates, Ltd., to perform the technical work involved in the assignment.

Massachusetts had a classification of positions according to duties which had been developed several years before, and operated rather informally under a somewhat indefinite schedule of compensation rates maintained by the commission on administration and finance but not published, and subject to exceptions in individual cases as the facts might seem to justify.

FORMER CLASSIFICATION GROWS OBSOLETE

The classification itself was a good one at the time it was prepared, but had been adopted without due provision (though such provision had been recommended as part of the original classification plan) for current administration and continuous adjustment with respect to the classification plan itself, the allocation of individual positions to classes, and the scales of pay for the several classes, as the conditions and the duties of the positions covered might change. The absence of machinery for systematic administration prevented the commission from getting the most good out of the compensation plan and was responsible for its getting out of date. For example, as an individual position became recognized as taking on more responsible or more difficult characteristics, rates of pay higher than the maximum of the class to which the position was assigned were authorized for it as an alternative to reallocating it to a different class.

At any rate, the first stage of the undertaking involving a detailed analysis of the 13,000 positions, exclusive of those of laborers, in the service, disclosed a wide divergence between the duties of positions of the several classes as defined in the earlier classification, and the actual duties of the positions treated as pertaining to the classes so defined. So wide had this divergence become that it was found impracticable to unscramble the situation by reallocating the positions to the classes originally set up, even with additions to represent the new kinds of work that had been added in the meantime. The positions as they were found to exist no longer fitted the classes that had been set up to cover the positions found several years before. Rates of pay for positions essentially alike, but treated as of different classes, were wide apart and many positions essentially different were treated as of the same class and as subject to the same pay scale.

An entirely new classification was accordingly developed, under which the 13,000 positions existing were found to fall into some 800 classes of positions each representing a distinct kind of employment and each including positions reasonably subject to like treatment in selection, compensation, and other employment processes.

CONDITIONS IN PRIVATE BUSINESS USED AS GUIDE

The classes or kinds of employment thus found to exist, after they had been checked over with the heads of the departments concerned, were then compared with those of similar kinds, as far as they could be found, outside the state service. This necessitated, in effect, the securing of direct information, through personal interview and otherwise, regarding thousands of positions in the employ of local commercial and industrial concerns, public utilities, and government bodies, and of other states and cities, and the analysis and classification of such positions so as to relate them to the positions in the Massachusetts service. The salary rates thus found to prevail in outside employment for positions similar to those in the state service were used as a guide in determining relative values and prevailing levels in the working out of a compensation plan in which each class of positions under the state was assigned a suggested compensation scale. Each such scale consisted of a minimum rate, a maximum rate, and one or more intermediate rates, it being contemplated that appointments would be made at the minimum rate and that the maximum rate would be reached through advances by successive steps as rewards of merit. The various scales were integrated into a consistent scheme by careful consideration of relationships between classes and between groups of related classes throughout the whole service. These relationships were subjected to numerous checks and rechecks in all sorts of combinations.

One interesting feature of the whole assignment is that under the terms of the original resolve, statutory positions were included, as well as the rank and file. The evaluation of the higher administrative positions so included formed a peculiarly difficult problem. As in most other jurisdictions, the salaries for such positions fell within a very narrow range in relation to the actual variations in difficulty and responsibility involved. In the development of the new compensation plan a rather effective and somewhat unique method of evaluation was devised by which all such positions were analyzed and compared in relation to the factors of difficulty, responsibility, and required qualifications upon which their value depends, such as (1) the executive or administrative responsibilities including the amount and type of supervision exercised and the extent of responsibility for the determination of policies, (2) the technical requirements, and (3) the character and amount of public contact.

RANGE OF SALARIES

The salaries in effect were found to be compressed within a narrow range, practically all being crowded between $900 and $6,000 with only a very few scattered above and below these limits. Such a range did not at all represent the differences in value of services. In the development of the new compensation plan, it was early decided, that the range needed to be widened, that if (say) $900 to $3,000 represented a fair range for the ordinary run of clerical positions of different degrees of difficulty and responsibility, then a range of about $3,000 to $6,000 would be necessary for the minor executive positions of different kinds and, in relation and by comparison with positions of similar responsibility outside, a maximum of $12,000 would be none too high (it might well have been higher) for the heads of some of the larger departments carrying heavy responsibilities.

On the other hand it was found that there had been difficulty in recruiting in positions of the lower ranks in which the entrance salaries were $900 and below. So, except for some classes of minor positions, such as messenger, $960 a year was adopted as the minimum and the scales for the different classes were related to each other between that limit and the maximum of $12,000 for the positions of greatest responsibility.

Except in the entrance rates, which ran as low as $720 for clerical positions, the rates in effect for the general run of classes were found to compare favorably with those outside. There were many individual exceptions to this, due to the faulty allocation of positions to classes already referred to. But farther up the scale there was an increasing tendency to compression downward. In particular, medical and technical positions were found to be greatly underpaid, there being considerable disparity between the rates in effect and those that ought to be paid, increasing with the responsibility of the positions. On the other hand, many individual positions and some groups were found to be greatly overpaid in relation to others. This was particularly true as to positions involving the keeping of financial records and the handling of money, largely routine in character.

The report presenting the results of the study contains, in addition to the schedule of recommended rates for classes, recommended rules of administration, and descriptions of classes, a very thorough discussion of the nature and purposes of classification of positions and the principles and methods applied in the particular undertaking, and of the theory and practice involved in finding a basis for evaluating personal services, as well as a description of the principles and methods applied in the case in hand.

The commission on administration and finance has published certain portions of the report with additions of its own. Most of the discussion and description was published verbatim in the December, 1926, and January, 1927, issues of *Public Personnel Studies*, by the Bureau of Public Personnel Administration, Mills Building, Washington, D. C.

RECOMMENDED SALARY INCREASES DOUBLE OF FORMER YEARS—ACTION BY LEGISLATURE

The net effect of the recommended schedule of compensation scales would be to call for immediate salary increases of about $900,000 a year, whereas the amounts of increases actually made in recent years have averaged over $400,000 a year and of course could be made with only an approximation of a scientific distribution.

The plans as a whole were accepted by the commission on administration and finance, which expressed its intention of putting them into effect with such adjustments in details as might later be found desirable. The Governor included in his recommended budget an item for salary increases based on the intention of spreading the adjustments to the new scales over a period of two years. Drafts of legislation were also submitted to the legislature to accomplish the abolition of statutory salaries as recommended in the report.

Meanwhile, representatives of an employe organization, who were anxious to see the full increases go into immediate effect, lobbied strenuously for a bill making the recommended schedules a matter of statute. The bill contained many changes in the scales from those recommended in the compensation plan as reported, some of which would seem to have the effect of advancing the rates for certain classes at the expense of others and destroying the balance of the plan as a whole, as well as of setting a precedent for scrambles at each legislative session by individuals and groups to secure increases for themselves.

The committee to which this and other bills were referred reported out a composite bill of its own including the employes' recommended schedule and amendments to existing statutes that would provide flat $500 increases to statutory administrative officers without regard to present rates or their relation to the responsibilities involved.

There were any number of amendments made to the bill on its way through the legislature, most of them increasing the rates for particular classes. The bill as amended passed both houses of the legislature, and was vetoed by the Governor. The legislature was apparently glad to uphold his veto.

The situation is left by these developments exactly where it was when the commission on administration and finance accepted the report and declared its intention of putting the plans as a whole into effect together with the recommended procedure for keeping the classification and compensation plan adjusted to changes in the growing service. But previously existing statutory salaries remain in effect. As to these there can be no remedy until the legislature next convenes.

As to the great body of employes, however, the commission on administration and finance has the power, with the approval of the Governor and Council, and the apparent intention to place the new scales and new procedure in effect without the necessity for legislative sanction, as a part of its normal functions.

ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

VI. MUNICIPAL EXPENDITURES FOR PUBLIC WORKS

BY CHARLES A. HOWLAND

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Per capita expenditures of cities for public works are increasing. There appears to be justification for an increase and, when the comparative purchasing power of the dollar in recent years is considered, the expenditures do not seem unreasonable. :: :: :: :: ::

As a preliminary to the discussion of the trend of expenditures for public works, it is desirable to define public works. In general public works constitute those activities, usually involving construction, which require engineering training for their accomplishment and are paid for with public funds. They include water supply, sewerage and sewage disposal, highway and bridge construction, and street lighting. Refuse collection, refuse disposal, street cleaning, harbor improvements, and subway and other transit construction, although not always in charge of departments of public works should also be classed as public works. There are certain construction undertakings such as museums, swimming pools, municipal golf courses, recreation centers, public markets and other public buildings that are less often handled by a department of public works.

Water supply, sewerage and sewage disposal, street paving, refuse collection, and refuse disposal are typical public works, are found in practically all municipalities, and together include a large part of the work of cities. These undertakings are representative of the classification as a whole and an examination of expenditures made for them will indicate with sufficient accuracy the general trend of public-works expenditures.

TREND BEFORE THE WORLD WAR

It is desirable to include in the period under consideration a number of years before the World War. The war with its disturbing economic changes upset the normal trend of expenditures, but the tendency before the war had definite causes and it is important to define them since the same causes undoubtedly influence, in some measure, expenditures at the present time.

The figures given in Table I for the expenditures of cities of over 30,000 population were taken from the reports of the federal bureau of the census entitled "Financial Statistics of Cities." It would be desirable to have figures which include every city in the country, but the information is not available. Undoubtedly the expenditures of the cities covered in the census reports will be sufficiently representative for the purposes of this discussion.

Both the number of cities of over 30,000 inhabitants and the population living in them, as shown by the reports of the census bureau, have been increasing. It would be of little value, therefore, to know the total annual expenditures for this group of cities because the increased demands of larger populations for service would naturally require greater expenditures. The important point is to learn the trend of expenditures for public works *per capita*. Hence per capita expenditures are presented.

In Table I government-cost payments for the expenses of operation, including maintenance, administration and the like, are shown separately from the payments for outlays for permanent construction and extensions. Under "sanitation" are included expenditures for sewerage, sewage disposal, street cleaning, refuse collection, and refuse disposal, while "highways" includes streets, pavements, curbing, bridges other than toll bridges, snow and ice removal, street sprinkling, and street lighting.

These figures indicate a general tendency toward increasing per capita expenditures. There are no sharp rises and occasionally there is a decrease, but in general the taxpayers were contributing increasing amounts to expenditures for public works. It is interesting to note that, while the general expenses for sanitation increased 52 cents per capita or 59 per cent from 1902 to 1913 the general expenses for highways increased 24 cents or 14 per cent. However, the payments for outlays under sanitation rose only 13 cents or 13 per cent from 1905 to 1913, and, in the same period, the outlays for highways increased 52 cents or about 18 per cent. In 1913, the highway group was taking exactly three times as much as the sanitation group for building new works, extensions, and other permanent construction.

TREND AFTER THE WORLD WAR

Continuing the examination through the war and afterwards to 1925, the last year for which information is available, brings out other interesting facts.

In Table II the per capita expenditures are given for care and maintenance of roadways, outlays for streets, roads and alleys and the general departmental expenses and outlays for water systems, sewerage and sewage disposal, and refuse collection and disposal in-

TABLE I

PER CAPITA EXPENDITURES FOR CERTAIN PUBLIC WORKS, IN EACH OF THE YEARS 1902–1911, AND 1913, IN CITIES OF OVER 30,000 POPULATION

Year	Sanitation		Highways	
	General expenses*	Outlays†	General expenses*	Outlays†
1902	$ .88	$...	$1.69	$....
1903	.99	....	1.64	....
1904	1.09	....	1.69	....
1905	1.13	1.00	1.67	2.87
1906	1.18	....	1.73	....
1907	1.30	1.10	1.91	3.26
1908	1.32	....	1.76	....
1909	1.31	1.05	1.71	3.29
1910	1.29	....	2.01	....
1911	1.44	1.04	2.04	3.79
1913	1.40	1.13	1.93	3.39

* From "Financial Statistics of Cities," 1911, Table XLIV, p. 86; 1919, Table XXVIII, p. 79.
† *Ibid.*, 1919, Table XXXI, p. 84.

cluding street cleaning. These figures were computed from information published in the previously mentioned reports of the federal bureau of the census. It was possible to obtain the figures for subdivisions of the work less general than for the period before the war and the figures will therefore not be exactly comparable with those given in Table I. As the purpose is merely to show the trend in public-works expenditures no attempt was made to obtain close comparability, but the subdivisions were taken because of their usefulness in emphasizing individual trends. The pre-war years 1909 and 1912 are included to connect the table with the period before the war. Reports of the series, "Financial Statistics of Cities," were not published by the bureau of the census for 1914 and 1920 and information is available for only one of the subdivisions for 1921 and 1922. Therefore the years 1914, 1920, 1921, and 1922 have been omitted from Table II.

Again the figures show a general increase in the per capita expenditures for public works. The effect of the war is apparent in a retarding or decrease in expenditures. This is particularly noticeable in the outlays for new construction and means that work was delayed in order to concentrate upon war activities. After the war a general increase in expenditures occurred, amounting by 1925, in some work such as street paving, to more than double the expenditures of 1909 and 1912.

Some activities show a greater increase than others. For example, the expenses of water-works operation doubled between 1909 and 1925, but the outlays for new construction increased only about one-third. In street-paving work, however, both expenses of operation and outlays for new construction more than doubled. Operation of sewer systems and sewage-disposal plants required in 1925 almost exactly twice the per capita expenditure of 1909 but new construction took

TABLE II

PER CAPITA PAYMENTS FOR CERTAIN PUBLIC WORKS FOR EACH OF THE YEARS 1909, 1912, 1915–1919, AND 1923–1925 IN CITIES OF OVER 30,000 POPULATION

Year	Highways		Water supply Systems		Sewers and sewage disposal		Refuse collection and disposal	
	Expenses Care, and maintenance of roadways	*Outlays* Streets, roads, and alleys	General expenses	Outlays	General expenses	Outlays	General expenses	Outlays
1909.....	$ .65	$....	$ .94	$2.09	$ .24	$ .99	$....	$....
1912.....	.73	2.80	1.03	2.33	.24	1.06	1.12	.04
1915.....	.80	3.11	1.06	1.62	.24	1.50	1.16	.05
1916.....	.74	2.54	1.05	1.28	.24	1.24	1.16	.03
1917.....	.71	2.76	1.05	1.13	.22	1.06	1.16	.07
1918.....	.77	2.68	1.16	1.05	.23	1.03	1.27	.06
1919.....	.78	2.06	1.34	1.25	.26	.84	1.42	.07
1923.....	1.33	4.52	1.88	2.30	.41	1.83	2.03	.15
1924.....	1.49	5.20	1.92	3.11	.46	2.16	2.13	.17
1925.....	1.58	6.58	1.87	2.86	.49	2.62	2.24	.17

TABLE III

PER CAPITA EXPENDITURES FOR CERTAIN PUBLIC WORKS FOR EACH OF THE YEARS 1909, 1912, 1915–1919, AND 1923–1925 IN CITIES OF OVER 30,000 POPULATION ADJUSTED TO 1913 PURCHASING POWER OF THE DOLLAR BY MEANS OF THE *Engineering News-Record* CONSTRUCTION-COST INDEX NUMBERS

Year	Index numbers	Highways		Water supply systems		Sewers and sewage disposal		Refuse collection and disposal	
		Expenses Care, and maintenance of roadways	*Outlays* Streets, roads, and alleys	General expenses	Out-lays	General expenses	Out-lays	General expenses	Out-lays
1909....	.....	$ .65	$....	$ .94	$2.09	$ .24	$ .99	$ ...	$ ...
1912....	......	.73	2.80	1.03	2.33	.24	1.06	1.12	.04
1915....	92.58	.86	3.36	1.14	1.75	.26	1.62	1.25	.05
1916....	129.58	.57	1.96	.81	.99	.19	.96	0.90	.03
1917....	181.24	.39	1.52	.58	.62	.12	.58	0.64	.07
1918....	189.20	.41	1.42	.61	.55	.12	.54	0.67	.06
1919....	198.42	.39	1.04	.68	.63	.13	.42	0.72	.07
1923....	214.07	.62	2.11	.88	1.07	.19	.85	.095	.15
1924....	215.36	.69	2.41	.89	1.44	.21	1.00	.099	.17
1925....	206.68	.76	3.18	.90	1.38	.24	1.27	1.08	.17

nearly three times as much. It is apparent, therefore, that the shoe pinched more in some places than in others.

ADJUSTMENT FOR THE CHANGED VALUE OF THE DOLLAR

The effect of the war was to disturb the gradual increase in per capita expenditures for public works; to retard it for a while and seemingly to cause a sharp increase afterwards, particularly in capital outlays. This does not mean that the cities have engaged in a wild orgy of spending for public works since the war. The dollars which are being spent for public works do not purchase as much in actual service or construction as did the pre-war dollars. When the expenditures made during and after the war are compared with those before the war, with an adjustment to take care of the changed value of the dollar, it is clear at once that the increase in activity in public works expenditures is not so great as it would seem.

For a number of years the *Engineering News-Record* has published a construction-cost index number based on 1913 figures as 100. This index number is computed from current prices of steel, cement, lumber and common labor, and an average index number for each year is available. It would seem better to use an index number of this kind to adjust public works expenditures to a pre-war basis than a cost of living index, because the construction index number seems to have a more direct relationship to public works. In the present inquiry, however, the choice is of no great importance since substantially the same facts are shown by the use of either index.

Table III gives the per capita expenditures of Table II adjusted to the 1913 purchasing power of the dollar by use of the *Engineering News-Record's* construction-cost index numbers. Unfortunately the per capita expenditures for 1913 were not available and a comparison cannot be made directly with them. The years 1909 and 1912 are included, as before, for purposes of comparison but are not translated into 1913 dollars.

According to the computations of the *Engineering News-Record* the purchasing power of the "construction" dollar was greater in 1915 than in 1913. The per capita expenditures for public works for 1915 in Table III are therefore more than those in Table II for the same year. Expenditures of the subsequent years are less.

Examination of the expenditures in the new light of the comparative purchasing power of the dollar reveals some startling things. In the field of water works, neither the expenses of operation nor the outlays for new construction had, in 1925, reached the pre-war figures of 1912, although the expenditures for outlays more than doubled between 1919 and 1925. The figures for sewerage and sewage disposal, however, show operating expenses equal in 1925 to those of 1912 while the payments for outlays had trebled since 1919. Payments for expenses of maintaining highways had, in 1925, just about equalled the 1912 figure but were less than 1915 although expenditures had nearly doubled between 1919 and 1925. Outlays for new highway construction had more than trebled between 1919 and 1925, were less than 1915, but more than 1909.

Operating expenses for refuse collection and disposal, including street cleaning, show an increase after the war but in 1925 had not equalled the expenditures of 1912 and 1915. Outlays for the refuse collection and disposal service more than doubled after the war and in 1925 were more than three times those of 1915. Perhaps the picture here is slightly out of focus since the operating costs of refuse collection and disposal are very materially affected by rates of pay for labor and are less affected by the price of cement, steel, and lumber, the other items used in computing the construction-cost index number. The figures for recent years may, therefore, be too low. The use of the general cost of living index numbers of the federal bureau of labor statistics would increase the per capita expenditures of 1923 to $1.20, of 1924 to $1.26, and of 1925 to $1.29, making them greater than the pre-war figures of 1912.

Adjustment of expenditures to the pre-war purchasing power of the dollar shows, in general, that, instead of spending lavishly for public works in recent years, cities have hardly returned to the per capita expenditures of pre-war days despite the lost ground to be regained. The figures presented in the foregoing tables indicate, however, a general trend toward greater expenditures for public works; a trend which was slackened by the war but has since become evident in the annual increase in per capita expenditures.

REASONS FOR INCREASE

One type of public-works construction will be affected by influences which are felt less or not at all by another type and, consequently, all will not vary in the same ratio, a fact that the figures show clearly. But there are general influences which have, no doubt, affected all public-works expenditures. One of the most important of these is the changed municipal standard of living which has added more functions to municipal government and has increased the work of existing functions. Better transportation, including subways and other high speed lines, is demanded; good paving is expected in all parts of the city; snow must be quickly removed from streets; refuse must be hurried away and inoffensively disposed of; water must be plentiful, wholesome and pleasant to take; sewers are required everywhere; and high pressure fire lines must be added to the existing systems.

The standard of living of the individual citizens has also changed and this has had its effect upon expenditures for public works. More general installation of plumbing fixtures and the increase in varieties of such fixtures creates a demand for more water per capita. This in turn has had its effect upon the construction of sewers and sewage disposal plants. Although electric power is often supplied in cities by private companies, it is sometimes a municipal function and the great increase in the use of electrical appliances has increased the expenditures per capita for supplying the service. These examples serve to illustrate the point, that, where more service is demanded per individual, greater per capita expenditures are required to furnish it.

Certain public-works expenditures have been influenced in special ways. One of the outstanding examples of this is the construction of street pavements. The tremendous increase in the use of automobiles and the appearance on city streets of heavy cars including 5- and 10-ton trucks and heavy busses have necessitated greater street capacity, more mileage of hard-surfaced pavements, and stronger, heavier construction. Although the development of the automobile industry may be dated from 1895 when 300 cars were produced, the greatest increase in the use of cars has come since the war. A curve published by the Cleveland Trust Company in its June bulletin shows that in 1912 less than 1,000,000 passenger automobiles and trucks were in use, while in 1915 there were about 2,200,000, an increase of approximately 400,000 a year. By 1925, the number had reached, in round numbers, 17,800,000, an increase, after 1915, of 1,560,000 a year. This burden upon street construction has come largely during the time that work was slowed up by the war and cities were struggling to compensate for postponed construction. Related problems of street widening, arcading, and similar undertakings have grown out of the traffic situation and have added to the per capita expenditures for highway work. No further argument would appear necessary to show that there has been a real justification for increased per capita expenditures for street paving.

Special situations have affected other branches of public works. The pollution of streams has forced upon water works the construction of treatment plants; increasing use of sources has often made it necessary to go long distances for water. On the other hand the efforts to check stream pollution and safeguard water supplies have placed upon cities the burden of constructing sewage-disposal plants with their intercepting and outfall sewers. When dumping grounds are exhausted or built upon and occupancy of areas once available for refuse disposal necessitates their abandonment, incinerators, reduction plants, and other costly measures must be adopted for the disposal of refuse.

INCREASE APPARENTLY NOT UNREASONABLE

It is quite possible to develop the theme at great length, but it would seem that enough has been advanced to show that there has been a justification for an increase in per capita expenditures for public works. The greater demands of municipal and individual standards of living, coupled with the addition of new governmental functions and increased activity of existing functions, and the greater expenditures needed to meet special conditions, have produced the trend toward greater per capita payments. That these expenditures declined during the war, leaving lost ground to be regained and have not reached startling figures since the war when examined in the light of the purchasing power of the dollar indicates that there is no immediate cause for a belief that too great sums are being spent generally for public works.

RECENT BOOKS REVIEWED

Municipal Administration in the Roman Empire. By Frank Frost Abbott and Allan Chester Johnson. Princeton: Princeton University Press, 1926. Pp. 597.

Although directed primarily to technical students of Roman history, this impressive volume by the late Professor Abbott and his colleague, Professor Johnson, is crowded with information of value to citizens interested in the development of municipal government in the United States. The information, it is true, is not of a practical character, to be applied with celerity to the problems of Chicago, Detroit, or New Orleans, but of a challenging sort, inciting comparisons and long reflections in dreamy hours when the mind is enlarging its periphery and deepening its imaginative powers. Even the first eight chapters dealing with the rise of different classes of municipalities in the Roman Empire, East and West, and the evolution of their relations to the center illuminate questions raised by those concerned with local government in the American dependencies. "The greatest achievement of Rome," our authors tell us, "was the extension of her municipal system over the greater part of her empire, thereby preparing the way for the more rapid infiltration of the cultural ideas of the age."

Less burdened with minute historical details are the systematic chapters on imperial taxes and requisitions in the provinces, municipal finances, provincial assemblies, the development of municipal policies, and at last the tragic decline of the wide-spread network of Roman cities. Our budget makers will doubtless be surprised to learn that the residents of the Roman municipality were practically exempt from taxes and that revenues were derived mainly from municipal land adjacent to the city walls or in some outlying region, and from monopolies, franchises, and privileges of one kind or another. Our theorists inclined to be critical of modern politicians will be astounded to hear that Rome utterly failed in her efforts to develop "a sound social, political, and economic policy in municipal administration. Her statesmen were usually opportunists and few clearly defined policies which were steadily or consciously pursued can be discovered." Chroniclers of Croker, Hinky Dink, and Bathhouse John may be encouraged a bit by such news from distant days.

If, for the sake of brevity, the course of Roman municipal evolution be sketched with a simplicity which the facts hardly warrant, it would run in the following form: The cities were encouraged to develop an autonomy as against their neighbors and the province, subject to central administrative control, tending to municipal anarchy with the decay of the empire. There was a steady decline in municipal democracy, partly on account of the tempestuous character of the city assemblies and partly on account of the apparent efficiency of administrative oligarchies—at least for a time, until they became hopelessly corrupt. In the early days of the Empire, the free residents of each city "displayed an intense pride in public welfare and endowed their native town with splendid monuments, buildings, and gifts for special purposes. Offices and honors were eagerly sought. . . . Public spirited citizens, civic pride, and keen urban rivalries combined to produce a brilliant municipal life throughout the Empire." To deal with municipal affairs, the imperial government worked out an elaborate system of offices and bureaus, at last depriving every municipality of its independence and local spirit—generally with the idea of improving the lot of the cities. But the imperial system finally broke down as a result of causes too complex to be enumerated here, the enthusiasm of the citizens for grand municipal work disappeared, and the cities sank in wealth and population even where they did not crumble into ruins. Underlying the whole process was an economic decline—a terrible slump in agriculture and commerce. Attempts to check the downward course by bureaucratic devices failed utterly, indeed, accelerated it. By the opening of the fourth century, "the breath of political life had departed." Far and wide the lizard and the jackal made their homes in the ruins of palaces and counting houses. Yet, had our authors carried their story forward, they would have shown a continuous life in hundreds of Roman cities, more troubled and on a lower economic scale perhaps, stretching through the middle ages all the way to our own time. Within their chosen field, Abbott and Johnson have made a contribution of the first order to the history of city government, while doing an honor to American scholarship.

Charles A. Beard.

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The Modern Development of City Government in the United Kingdom and the United States. By Ernest S. Griffith. London: Oxford University Press (American Branch, New York), 1927. 2 vols., xix, 1–422, and vii, 423–745 pp., resp.

The author of this work, a native of New York and a graduate of Princeton University, went to Oxford as a Rhodes scholar. His studies there completed, he became first a preceptor in economics at Princeton, and later warden of the University Settlement in Liverpool and honorary lecturer in Liverpool University. In the volumes under review he has endeavored to bring his studies and observations of city government in the two countries to bear upon their municipal problems, both historically and comparatively, in order to point out to each the lessons it has to learn from the other.

In the first volume, which is primarily historical, the development of city government in each country has been traced through three periods, namely, that prior to 1870, to which only brief attention is given; that from 1870 to 1900; and that from 1900 to 1924. This makes a total of six chapters, which are printed in pairs, first one on cities in the United States, and then one on cities in the United Kingdom for the same period. Within each chapter the treatment is mainly topical, with the result that the same topic may be discussed in several different places in the same volume, though for different countries and periods. As a scheme of arrangement this is perhaps as good as any, but it is not perfect since it necessitates much repetition and many cross references. Moreover, it does not sufficiently allow for the fact that developments are continuous and not divided into arbitrary periods, nor does it bring out the fact that at the same time-period one country may be in a different stage of development from another.

Some two hundred pages of the second volume are devoted to a comparative analysis of city government in the two countries at the time of writing, about 1924–26. Among the topics discussed are the legal bases, the functions, the framework, and the finances of city government, the relations of the cities to the central government public opinion and the quality of government, and conclusions as to the two systems. The rest of the volume includes a bibliography and a series of statistical and other appendices.

In reviewing a study as comprehensive and as difficult as this one, it would be unfair to deal carpingly with little slips which any one who is human must make when he handles a comparably large mass of details. The author has perhaps made only a small percentage of the mistakes which he might easily have made. Accuracy demands, nevertheless, that the reviewer call attention to the existence of many mistakes of facts and dates. Some minor generalizations are inadequately supported by the data, and in other cases the data used are open to question, as in the acceptance of the report of a recent well-known mayor of Cleveland that he both reduced expenses and improved service at the same time (p. 488, n.). The author speaks of "Boards of Municipal Research," (p. 293), dates the beginning of the National Municipal Review at "about 1904," (p. 282), and has not too clear an idea as to what is meant in the United States by a "home rule" city (pp. 269, n. 3; 584–85). In general he appears to be more fully informed about English than about American municipal developments, and for the United States his information is more intimate for the period prior to the Great War than for the years subsequent thereto; for after all, one must live with a system of local government to know it thoroughly. These minor defects do not, however, detract from the interest of the author's pages, nor, in general, from the soundness of his main conclusions and recommendations.

Appraised in the large these two volumes (which could have gone into one, and at a lower price) constitute a novel and valuable addition to our stock of municipal history and of comparative city government, of which we have too little. His contributions and conclusions are the more valuable, also, because he has tried to see his problem whole, in its historical, social, economic, political, legal, and other phases. In fact, he has written a really important book.

His recommendations will interest many. "At the outset," he says in his preface, "I was a believer in centralization; but, as the evidence began to unfold, my opinion reluctantly but none the less surely changed to a profound suspicion of the wisdom of central interference in city government." In fact, he definitely disagrees with Sidney Webb as to the evils of decentralization (p. 581) and recommends that the English adopt and the Americans use more widely the system of municipal home rule (pp. 628–31). Along with this he recommends for English cities the reduction of central subventions and supervision, more freedom in financial matters, the adoption of the American system of taxation upon land according to its capital value, and direct popular control in charter matters and in the annexation of territory. To American cities, which fare better than usual in the comparison, and which, in general, "seem to be building upon sound foundations," he recommends, in addition to more home rule, the removal of the popular "assumption of equality of ability." Specifically this means that he favors the short ballot, the further extension and strengthening of the merit system, and "a reconstruction of the whole attitude toward office and office-holding, toward the law-maker and the law."

William Anderson.

University of Minnesota.

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Report of the West Virginia State Tax Commission to the Legislature of the State of West Virginia, 1927. Pp. 204.

The West Virginia legislature of 1925 by resolution authorized the governor to appoint a special commission to report to the legislature of 1927 recommendations designed "to establish an economically sound and permanent taxation system for the raising of state revenue." At the preliminary session (West Virginia has the bifurcated session), the commission submitted to the legislature a comprehensive report embodying drastic reforms in the administrative organization and the financial policy of the state.

After giving a detailed account of state revenues and state expenditures, past and present, including also local revenues and local expenditures, the commission considers the efficient expenditure of public funds and the economically sound method of raising revenue. It will not be possible within the space of this review to consider all the reforms suggested, but only to point out those that seem of special significance.

The first conclusion of the commission is that fundamental changes are necessary in the administrative machinery, not only in the state, but in its various subdivisions. The commission urges the resubmission to the people of the budget amendment to the constitution, vesting the budget-making power in the governor, which the voters defeated at the last general election. The constitution at present vests the budget-making power in the board of public works, which consists of the seven elective state officials. The commission believes the governor should assume full responsibility for the state's financial affairs.

One of the most significant reforms suggested is the proposal to create a state board of review, composed of three members appointed by the governor, with the state tax commissioner as one of the members and ex-officio chairman. "This board should have control over the tax administration of the state; it should have authority to raise or lower assessments, and should act as a board of final appeal and review in all matters of valuation. It should have power to review all proposed bond issues. Before any taxing district can submit to the voters the question of authorizing bonds, a statement of the proposal should be filed with the state board of review, who are to approve or disapprove or approve in part, the contemplated issue. Its findings shall be certified to the taxing body and shall be published as a part of the notice submitting the question of issuing bonds to the voters." Also upon petition of fifteen or more taxpayers of any county, district or municipality, the commission would give the board authority to review the budget or levy, or both, of any county court, school board or municipal council, with plenary power to approve or disapprove, in whole or in part, any such budget or levy, the finding of the board to be final.

The report actually bristles with consolidation proposals. If they were carried out, it is estimated these reforms would eliminate 2000 offices. The commission believes that the West Virginia education system could be made more efficient by substituting the county unit for the present district unit. By this plan, instead of managing schools by 397 boards of education, they would be managed by 55. The commission would enlarge the authority of the sheriff, as an ex-officio county treasurer, requiring him to collect all municipal and district taxes within the county; it would abolish all county poor farms and infirmaries, substituting a state home for the aged and poor; it would abolish all county and municipal sealers of weights and measures, suggesting that this work can be done more efficiently by the state department of labor; it would make the state board of control the purchasing agent for county courts and school boards, requiring such courts and school boards to make all substantial purchases of supplies, except in emergencies, through the state board; it would require the state tax commissioner to collect all taxes paid to the state, of every description, including the corporation taxes and the automobile license taxes; it would abolish county boards of equalization and review, transferring their duties to the county courts; it would require assessment of real estate every four years, instead of annually; it would require collection of taxes in two installments, instead of one; it would abolish the system of paying fees to sheriffs for the feeding of prisoners, substituting payment only of actual cost of such feeding; finally, it would put in full charge of the highway department a single commissioner, who would take the place of the present board of three commissioners.

When we come to the section of the report concerned with the present revenue system, there is lacking a certain element of vigor in the proposals of the commission, although it does not hesitate to attack fundamentals.

The general property tax in effect in West Virginia raises approximately 70 per cent of the total revenues collected by the state and its various subdivisions. Although property is assumed to be assessed at its true value, valuations in the different sections of the state range from 35 per cent to 100 per cent of actual value. The effort to reach personal property has been a complete failure, the commission estimating that it is 20 per cent effective. Forms of wealth built up on the enjoyment of special privilege escape taxation in West Virginia. The worst offenders here are the public utilities, the insurance companies, and the natural resource industries.

In recommending reforms, the commission states that the tax problems will not be solved until the basic law is so amended as to permit of a "broad" classification of property. In addition to providing for general classification of property, the amendment which they propose would establish an income tax permitting graduated rates and the right to exempt certain incomes. The Commission also suggests to the legislature a three-fold classification of business for taxation purposes, as follows: public utilities; natural resource industries; merchandising, manufacturing, financial and other business enterprises. While these principles might be applied in connection with the gross sales tax, they can hardly be made effective without the amendment. The classification amendment therefore, is the foundation of the taxation reforms proposed by the Commission.

Specific changes proposed with reference to present tax laws are of relatively minor consequence. These include elimination of the direct levy for state purposes, increase of the gasoline tax from 3½ cents to 5 cents a gallon, increase of the tax on insurance companies from 2 per cent to 3 per cent, downward revision of the inheritance tax rates, and restriction of the tax on corporation charters to a maximum of $2500.

The reviewer believes that the members of the Commission have acquitted themselves creditably, that their recommendations are sincere and straightforward, that the sentiments of any special interest have not dominated their councils. The outstanding weakness of the Report is a certain lack of definiteness on some phases of the tax problem. Because the gross sales tax is at present being contested in the courts, the Commission makes no recommendations on this tax, although it recognizes that the tax falls far short of adequately taxing privilege, and that it ignores the principle of ability to pay. Under the present constitutional arrangements, therefore, the Commission has recommended to the Legislature no definite taxation reforms of consequence that will alleviate the immediate situation. Specific examples supplemented with elucidating statistical data, which more detailed research would have supplied, would have illuminated the gross inequalities of the present revenue system, particularly with reference to the taxation burden of the public utilities and the natural resource industries.

Martin L. Faust.

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Legal Aspects of Zoning. By Newman F. Baker, A.M., J.S.D., of the Missouri Bar. Chicago: University of Chicago Press. Pp. 182.

Mr. Baker's little book is a most timely contribution to the study of the legal phases of municipal aesthetics, bill-board regulation, zoning and metropolitan planning. In this field there are few attempts to treat the entire subject, none of them sufficiently recent to cover the latest developments. Mr. Baker's treatise, while by no means comprehensive, does take up the most important developments in his chosen field, with the possible exception of metropolitan planning where so much of the work still remains to be done. Most useful are the citation and analysis of recent legislation, ordinances and decisions. The book may be read with pleasure and profit by the layman and is invaluable to the administrator or lawyer in this field; for nowhere else can be found collected the information, brought up to date, that this book contains.

Frank B. Williams.

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American Villagers. By C. Luther Fry. New York: George H. Doran Co., 1926. Pp. 201.

The Institute of Social and Religious Research in this volume discloses to us the community the census forgot—those places with a population ranging from 250 to 2,500. Neither fish, nor flesh, nor good red herring, the census has hodgepodged such groups with the dwellers in the open-country, labelling the mash "rural," much to the perturbation of all those concerned with an accurate analysis of population groups.

Of singular interest to all interested in better adjustment of government to needs is Mr. Fry's statistical comparison of village, city, and open-country. "While villages are less like the cities than the open country in the matter of home ownership, they are as much like the cities as like the open country in their relative number of native whites, and more like the city in both illiteracy among the native whites and the ratio of males to females." Closer to the city also in birth rate, occupational distribution, buying attitudes, and other things, it is not to be wondered at that Mr. Fry concludes that, "on the whole the differences between village and open country are more striking than the differences between village and city," a point which should be kept in mind in considering local and county government.

Nevertheless, the village parts company with the city in many important factors influencing social stability and conservatism, and there are also "wide differences between the village and open-country populations in nativity groupings, sex, and age-distribution, marital condition, illiteracy, and occupational status." The data disclosed by these investigations seem to indicate the urgent need of new categories which will permit of easy segregation and comparison of three important, separate, and distinct types—the urban dweller, the villager, and the inhabitant of the open country.

After demonstrating this need for a more accurate and useful census classification, Mr. Fry makes another contribution towards a better understanding of rural problems in the United States in his statistical picture of American villages, especially those agricultural villages "located in a strictly farming area" and "acting as service stations to the inhabitants of the surrounding countryside." "The only professional persons in the very small villages are, with few exceptions, the teacher, the doctor, and the clergyman. As the village grows larger, the lawyer and the dentist enter. Further increases in size bring the musician and the veterinary surgeon, while last of all comes the trained nurse." All of these professionals link villager and countryman by giving service to the open country as well.

Remembering that about one-eighth of the American population live in villages and that "since 1900 the total village population increased more rapidly than the population of the nation as a whole," thorough students of American society will find this description of the villager essential. Not only the sociologist and political scientist, but the commercial or professional man interested in new outlets and opportunities, will do well to know what kind of people live in villages, what they do for a living, their distinguishing peculiarities, and their functions.

Mr. Fry's divisional analysis affords a basis for the comparison of the various geographic sections of the United States, and throws considerable light upon such phases of rural life as population make-up, prosperity factors, the status of the incorporated village, illiteracy, and the position of the negro in the village life of the South. The 66-page appendix, in addition to source tables, contains an "analysis of the 'rural' and the 'urban' population figures for certain New England States as given in the 1920 census," a useful "classification of the gainfully employed workers according to their 'social-economic' status," and a detailed, scholarly analysis, by Luther S. Cressman, of "the social composition of the rural population of the United States."

Newell Niles Puckett.

Western Reserve University.

THE DUBLIN CIVIC SURVEY. Prepared by Horace T. O'Rourke, F.R.I.A.I., and the Dublin Civic Survey Committee for the Civics Institute of Ireland. 150 pp. (10 x 12½), 50 illustrations, 10 colored maps, and 8 aërial photographs. University Press of Liverpool, Ltd.; Hodder and Stoughton, Ltd., London, 1925.

This is volume two of the publications of the Civic Institute of Ireland. Volume one was the prize design adjudged winner in an international competition. Volume three will be the Final Town Plan based on the design and the survey.

Few American readers interested in city and town planning will see, but all should examine, this excellent example of the most scientific type of survey upon which a final town plan will be based. This survey is the statistical and graphical representation of the things as they are in the community and enables the town planner to present a forecast of its development. The survey is divided into the physical and social and economic factors in the life of Dublin. This city has the position of dual rôle as the national capital and seat of government, as the principal railroad center and port of the country, and as the cultural and recreational center of its people.

The plan of the survey follows a definite study in seven fields: Archaeology, showing the historical development and its influences; Recreation; Education; Hygiene; Housing; Industry and Commerce; Traffic of all sorts. The student of city planning will be especially interested and pleased with the colored maps which illustrate each of the topics covered. The aërial photographs prove beyond doubt the value of this method of study for advanced planning. The use of early maps from 1610 emphasize more than any reading matter how it is that towns and cities are allowed to grow in a haphazard manner. The survey states that all the difficulties and costliness of civic administration can be ascribed to such blind and wasteful development. The preparation of such a civic survey for a community is the best education it can have. It is not every city that can be a Washington or a Canberra and the best many can do is to show the defects of the past and prevent the mistakes being repeated in the future.

An ever increasing number of town surveys and plans are reaching us from the British Isles. Others which are worthy of interest for their contents and mechanical makeup are Birmingham, Manchester, Dundee, Leicester, Sheffield, Doncaster, York, Richmond, Woolwich, Chelsea, Stratford-on-Avon, Cork, and more recently the comprehensive study of the London County Council.

E. A. COTTRELL.

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BUDGET FACTS AND FINANCIAL STATISTICS OF THE CITY OF MINNEAPOLIS FOR 1927. Issued by the Board of Estimate and Taxation, Minneapolis. Pp. 52.

This report presents statistical facts on the finances of the city of Minneapolis. The first half of the report presents statistics on the valuation of property, tax rates and tax levies, tax collections, operating receipts and disbursements, the 1927 budget allowances, and governmental costs since 1900; the second half of the report pertains to the bonded debt of the city, giving information on current requirements for principal and interest, purposes for the issue of outstanding bonds, the maturities of outstanding bonds, and a schedule showing past issues and redemptions. Features of this report worthy of commendation are the completeness of the data on the bonded indebtedness of the city, the comparative statistics, and the translation of tax levies into terms of purchasing power. The report contains very little elucidating and explanatory matter.

MARTIN L. FAUST.

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Merchandising by Municipally Owned Utilities in Wisconsin is information report number 56 of the Municipal Reference Bureau of the University of Wisconsin. It was compiled jointly by Lorna L. Lewis, assistant in the Bureau, and Esther Connor of the Wisconsin Library School. This brief study of five mimeographed pages is a compilation of figures showing the extent to which sixteen Wisconsin municipalities engage in this form of business. In some it is conducted merely for the convenience of the public, but in a few it constitutes a very interesting source of revenue.

E. C.

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A List of References of Municipal Reporting is a mimeographed bibliography of four pages compiled by C. F. Nolting, secretary of the Municipal Reference Bureau of the University of Kansas. The haphazard and inadequate methods used by many cities in reporting their activities is so well recognized by those familiar with the field of municipal government that a list of references purporting to suggest improvement should meet with wide approval. Perhaps the most valuable section of this compilation is the list of cities having outstanding reports that may be used as examples of good municipal reporting.

E. C.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Home Rule—Jurisdiction of Municipal Courts.—In the July issue attention was called to the decision of the district court of appeals of the second California district in the case of *People* v. *Denault*, 253 Pac. 151, in which it was held that under the home rule provisions of the state constitution the legislature would not by statute confer upon municipal courts jurisdiction of offenses committed within the county outside the city limits. The effect of such a ruling upon the uniformity of the state judicial system was commented upon and the undue emphasis upon the home rule powers of the cities criticized. We are therefore pleased to note that the supreme court of that state in the case of *Ex parte*, *Luna*, 257 Pac. 76, has given a different construction to the constitutional provisions involved, and reasserted the control of the state legislature over the judicial system of the state. The Luna case had been decided at the same time as the Denault case and the petitioner's conviction in the superior court from which the statute had transferred jurisdiction to the municipal court upheld. In unanimously reversing the decision against the petitioner in the superior court, the power of the legislature to determine the jurisdiction of local courts, except so far as expressly limited by the constitution, is finally established.[1]

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Home Rule—Charters and Charter Amendments as Laws of the State.—The state of California has been for the past years preëminently the battleground of the conflicting theories of municipal home rule under constitutional sanction. No provision of Article XI of that constitution has been subject to so varied and often inconsistent interpretations as that of the method of enacting home rule charters and the requirement of their ratification by a majority of the members of each house of the state legislature. Even able commentators have drawn from the opinions of the courts in some cases conclusions that the same courts later refused to admit were justified by what they had said, a result which often follows the attempt of a court to go beyond the question involved and by observation and dicta anticipate questions that may later arise. Possibly the courts of no other state have been more guilty of this tendency, a habit which in the earlier years resulted in much confusion as to the scope and effect of the constitutional home rule provisions.[2]

It is therefore noteworthy that in the recent case of *Taylor* v. *Cole*, 257 Pac. 40, the supreme court of California has at last unanimously decided that a home rule charter or an amendment thereto, when ratified by the legislature under the provisions of Article XI, is a law of the state and derives its validity not from the action of the local electors alone, but by the act of the state legislature in accepting and ratifying their action. Thus the early decisions to the contrary, such as *People* v. *Green* 85 Cal. 238 and *People* v. *Toal*, 85 Cal. 333, are at last definitely overruled and the doctrine set forth in *Ex parte Sparks*, 120 Cal. 395, and *Fragley* v. *Phelan*, 126 Cal. 383, approved and settled.

In the instant case, in which the petitioners sought a writ of mandate to compel the canvassing of votes at a general election in the city of Pasadena held pursuant to certain amendments proposed and adopted in November 1926 and ratified by joint resolution of the two houses of the state legislature, the defendants maintained that these acts did not foreclose an inquiry by the courts as to whether the mandatory jurisdictional steps, such as publication of notice, were followed in the local election which indorsed the proposed charter amendments. In holding that the culminating act of ratification by the state legislature is conclusive upon the question of the regularity of the preliminary proceedings, the supreme court has insured the administrative regularity of the home-rule charters and of amendments thereto and rendered them immune from attack by private individuals. In other words, they now have the status of *de facto* if not of *de jure* corporations, and the validity of their organization can be questioned only in a proceeding of *quo warranto* at the suit of the state itself. If the California courts shall apply the limitation upon the action of *quo warranto* similar to that established by the courts of Massachusetts in *Attorney General* v. *Methuen*, 236 Mass. 534, the home rule charter provisions will be placed practically beyond the danger of any judicial annulment. The value of the stability thus assured to the exercise of the charter powers cannot be overestimated.

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[1] We are indebted to Mr. Tracy Chatfield Becker, deputy district attorney of Los Angeles county, for valuable information on the above cases.

[2] See the trenchant criticism of McBain in "The Law and Practice of Municipal Home Rule," pages 206–216.

The bearing of this decision upon the relation of the charter powers to the general legislation of the state might be quite serious, were it not that the California decisions have already established a workable principle of reconciliation. Logically, every charter amendment is now to be regarded as a special statute repealing *pro tanto* the existing general statutes, while, outside the field of exclusive powers committed by the state constitution to the municipalities, a general statute will repeal the charter provisions in conflict therewith. This leaves a wide field of control as to taxation, police, and judicial organization to the legislature, but places upon it the serious responsibility, not heretofore fully appreciated, of carefully checking the effect of charter amendments upon the general laws. The confirmed habit of the California legislature in approving without question all charter amendments proposed by the municipalities is thus challenged by this decision. As in the past, the efforts of people of that state to delimit the field of municipal home rule will still command the attention of all students of municipal government.

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Official Bonds—Liability of Bonding Company to Individuals Injured by Misfeasance of Police Officer.—Two recent cases bearing upon the somewhat novel point of the extent of liability of the surety on official bonds to individuals injured by the misfeasance of local police officers were decided by the supreme court of Ohio May 25. In *United States Fidelity & Guaranty Co.* v. *Samuels*, 157 N. E. 324, the defendant was held liable upon the official bond running to the city of Youngstown of a motor-cycle policeman, against whom the plaintiff had obtained a judgment for damages for injuries caused by his negligence in operating a car belonging to the city. As he was on his way to investigate a crime there was no question that he was acting in the course of his employment as a police officer, but the defendant contended that his act of negligence was not official misconduct within the condition of the bond that he should "well and faithfully perform the duties of the office of policeman of said city during his continuance in said office for said term." In accordance with the weight of authority, the court held that the condition included liability for nonfeasance as well as misfeasance or malfeasance of the officer acting by virtue of or under color of his official duties.

In the second case, *Maryland Casualty Co.* v. *McDiarmid*, 157 N. E. 321, an additional question was raised as to the effect of a voluntary bond running to the city not required by statute. The city of Dayton was the obligee of a blanket bond covering a schedule of its officers including the police officer in question, which so far as the record showed was taken out by the city without any express authority of statute or of its charter or local ordinances. The court refused to go back of the contract itself, thus confirming the incidental power of the city to contract to bond its police as well as fiduciary officers. As the police officer did not himself execute the bond as principal and the statute of limitations had run in his favor, the defendant company was held primarily liable on its obligation, the period of limitation thereon not having expired.

In neither of these cases did the facts upon which the plaintiff recovered his judgment impose any liability upon the obligee city, due to the principle of immunity of municipal corporations in the discharge of police functions. As in the case of bonds of contractors on public works which are not subject to mechanics' liens, the rule supported by the weight of authority is that they are taken out for the sole protection of those furnishing labor or materials upon whom the law confers a right of action to enforce the penalty, so in these cases the court holds that as to police officers the only purpose of the bond is the protection of the interests of those injured by the wrongful act of the officer while acting in the discharge of the duties of his office. The extension of the American doctrine of such rights in third persons, not parties to but sole beneficiaries under a contract, to official bonds is supported by the great weight of authority. Upon this point and the question of the bondman's liability extending to acts done under color of official position, the reader will find in the cases of *Lammon* v. *Feusier*, 111 U. S. 17, and *American*

Guaranty Co. v. *McNiece*, 111 Ohio St. 532, 146 N.E. 77, 39 A.L.R. 1289, the authorities collected and reviewed. The recent Kentucky cases of *Brittain* v. *U. S. Fidelity & Guaranty Co.*, 293 S. W. 958 and *Young* v. *Amis*, 295 S. W. 431, present the minority view that the surety's liability does not cover acts done under color but beyond the scope of official duty.

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Torts—Boston Held Immune from any Liability for Personal Injuries Due to the Negligent Construction or Operation of its Subways.—The status of the Boston subways, constructed by the Boston Subway Commission, later transferred to the city of Boston and now operated by the Boston Elevated Railway Company, has been the subject of numerous decisions of the Massachusetts courts. Perhaps the most striking of these decisions in emphasizing the peculiar and unique position the city holds with respect to its subways is to be found in the recent case of *Bartol* v. *City of Boston*, 156 N. E. 844, which holds that although the statute provides that the city "shall have, hold and enjoy in its private or proprietary capacity for its own property the existing subway . . . and all rents, tolls, income and profits from all contracts . . . for the use of said subways," nevertheless, such ownership is still so impressed with a public use that no liability can arise against the city for injuries resulting from negligence either in their construction or operation. This decision is contrary to the almost uniform weight of authority in this country and in England. Although it cannot be justified upon theories of social ethics or of political science, it finds its logical basis in the peculiar doctrines of the immunity of the Massachusetts towns from tort liability, doctrines which the court evidently will not modify to meet modern conditions unless by express direction of the legislature. That Boston owns the subways in "a private and proprietary" capacity as declared by the legislature does not justify the court, in its opinion, in implying that the legislature intended the ordinary consequences of such a relation to apply to liability for tort; nothing short of a statute directly imposing such liability will suffice.

While such is the ground stated for this decision, it may be noted that the cause of the accident in the instant case was a structural defect in a landing platform due to faulty engineering which was in existence at the time the subway was transferred from the Boston Subway Commission to the city. It was upon this latter defensible ground that the operating lessee, the Boston Elevated Railway Company, was held also to be immune from liability in an action based on the same facts. The net result is that no personal injury caused by defects in the construction of the subway can be redressed in damages, a situation which plainly calls for remedial legislation.

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Initiative and Referendum—Construction of Provisions of Ohio Constitution.—The effect of the recent decision of the supreme court of Ohio in *State ex rel. Smith* v. *City of Fremont*, 157 N. E. 318, will be, according to the dissenting opinion of Justice Allen, to nullify completely the provisions of the state constitution giving to the electors a direct control over state and local legislation. In *State ex rel. Durbin* v. *Smith, Secretary of State*, 102 O. St. 591; 133 N. E. 457, the court had previously held that under the provision granting a referendum upon petition duly filed upon any statute or ordinance except when the legislative act was an emergency measure, the declaration of the legislative body that an emergency exists is final and not subject to judicial review. In the instant case, the city council upon a demand from the state board of health passed an emergency measure providing for the issue of $180,000 in bonds for the construction of a water filtration plant. A committee of the electors believing that such a plant was not the best remedy for the existing conditions, being precluded from exercising a referendum on the measure, circulated an initiative petition for an ordinance directing the abandonment of the Sandusky River as a source of the water supply and the drilling of additional deep wells to supplement the flow of wells owned by the city, the water of which was unobjectionable. This petition was filed June 28, 1926, the day before the final passage of the "councilmanic" ordinance and was ratified by the electors in November. On August 3 the city council passed another emergency ordinance authorizing the calling for bids for the projected filtration plant, the contract for which was let September 8. The question of the conflict of these ordinances was raised by mandamus proceedings praying for order directing the defendant officers of the city to proceed with the drilling of wells, etc., as provided by the ordinance adopted by initiative and referendum. In holding this latter ordinance void, the supreme court states that the measure was simply an effort to thwart the action of the council in its policy of erecting the filtration plant; that to give validity to such a measure would nullify the constitutional provision excepting emergency measures from popular control by referendum.

Miss Justice Allen in her vigorous dissenting opinion concludes her argument by saying that "thus by judicial decision the constitution is amended and the voters of every municipality in the state are shorn of a most substantial share of the legislative power deliberately conferred upon them by the amendments to the constitution enacted in 1912." Chief Justice Marshall, who wrote an able dissenting opinion in the case of *State ex rel. Durbin* v. *Smith*, in which he clearly pointed out what would be the effect of that decision in holding that the legislative declaration of an emergency was not subject to review by the courts, concurred in the dissent of Justice Allen. Taking the two cases together, the conclusion of Justice Allen that the death knell of direct popular control of legislation in Ohio has been struck seems to be a reasonable inference.

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Zoning—Effect of Ordinances Upon Restrictive Covenants.—In *Ludgate* v. *Somerville*, 256 Pac. 1043, decided by the supreme court of Oregon May 31, the question of the effect of a zoning ordinance including within a business district lands restricted by covenants to residential purposes was directly raised. The section of the city of Portland in which the land was situated was platted in 1908 and the lots conveyed with restrictive covenants running to 1932. In 1924 the city adopted a zoning ordinance which purported to permit the use of the lot of the defendant for business purposes. The lot in question was a triangular plant fronting on an arterial boulevard and had become very valuable as the location of a gas filling station and of comparatively less value for residential use.

In refusing to give any effect to the ordinance as modifying the force of the restrictive covenants, which equity will sustain unless waived by the parties interested or defeated by such a change as clearly neutralizes the benefits sought by the restrictions, the court states that after a diligent search of the authorities it has found only one case (that of *Gordon* v. *Caldwell*, 235 Ill. App. 170) which raised the same question. The precise question was decided, however, by the supreme judicial court of Massachusetts in November, 1926, in the case of *Vorenberg* v. *Bunnell*, 153 N. E. 884, involving the effect of the zoning ordinances of the city of Boston. The decision of the court in that case that zoning laws cannot constitutionally relieve land in the districts covered by them from lawful restrictions affecting its use for business purposes is now supported by the decisions in Illinois and Oregon. The question whether equity will specifically enforce such restrictions remains, as before the enactment of the zoning ordinances, a matter for the exercise of sound equitable discretion.

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Zoning—Reactionary Decisions on Local Police Power in Mississippi and New Jersey.—In the July issue of the Review, we noted the influence of the decision in *Euclid* v. *Ambler Realty Company* as set forth in recent opinions of the courts of Tennessee and Colorado in upholding comprehensive zoning ordinances. In the *Appeal of Ward*, 137 Atl. 630, the supreme court of Pennsylvania has sustained the power of a city to exclude business enterprises from residence districts and in *Village of Western Springs* v. *Bernhaven*, 156 N. E. 753, the supreme court of Illinois upheld the power of a small village to zone all its area except that within a block of the C. B. & Q. R. R. exclusively as a residential area. In contrast to these rather liberal interpretations of the local police power, we find the tradition of a narrow and strict construction still influencing some of the state courts which have not yet recovered from the violence done their constitutional theories by the recent pronouncements of the federal supreme court.

In New Jersey for example, the delegated power of cities to regulate the location and conduct of livery stables and garages is well established (*Shait* v. *Senior*, 97 N. J. L. 390; 117 Atl. 517). Nevertheless, in *Savitz-Denbigh Co.* v. *Bigelow*, 137 Atl. 439, the supreme court awarded a peremptory writ of mandamus against the officers of the city of Newark to issue a permit for a public garage within the prohibited distance of "200 feet of a public school" on the ground that the language of the ordinance in order to protect the rights of property owners must be construed to mean not 200 feet from the school premises, but 200 feet by direct line to the school building itself. This construction might be defended if the only purpose of the ordinance was to lessen the fire hazard, but the court must have unconsciously blinded itself to the fact that the safety of the school children from the danger of traffic congestion induced by such establishments is quite as valid a basis for the exercise of the police power at the present day, a consideration that may be entirely nullified if the school buildings happen to have an adequate park or playground bordering the street where the adjoining property owner wishes to establish his garage or filling station.

We have to go as far afield as Mississippi to find the supreme court of another state as conservative as that of New Jersey. In *Dart* v. *City of Gulfport*, 113 So. 441, the complainant sought an injunction against the operation of an ordinance which placed in a restricted district certain lands owned by him upon which he contemplated erecting a gasoline filling station, forbidden by one section of the ordinance in question. There was no question that the ordinance was duly enacted nor that the surrounding traffic conditions would justify the exclusion of a gasoline station within the designated area. The Supreme Court, in reversing the lower court which refused to issue an injunction against the municipal authorities, held that the standard state zoning act which delegated to the city the power to "regulate and restrict the erection, construction, reconstruction, alteration, repair or use of buildings, structures or land" within designated districts, has not empowered any municipality to prohibit or exclude any particular structure or use of the property therein included. The court gratuitously announces that it does not at this time pass upon the constitutionality of the standard state zoning act; it seems sufficient to nullify it by arbitrarily holding that regulation and restriction of use can never result in exclusion. The decision illustrates the perverse effect upon the cannons of judicial and constitutional construction that has been engendered in the controversy over the validity of zoning ordinances. No judge in this country so far as the records indicate, prior to a time within the memory of many practitioners, ever had the hardihood to assert that the delegation to a municipality of the power to regulate the erection and use of markets, livery stables, slaughter houses and many other lines of business precluded the power to exclude them from certain districts of its territory. Zoning restrictions based upon use have in many instances sound constitutional objections against them, but it is unfortunate that any court should attempt to justify conclusions that may be sound by a resort to a line of reasoning not supported by precedent or legal good sense.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Bus Franchises Awarded in New York City.—After repeated postponements for a year and a half, the board of estimate and apportionment of the city of New York finally awarded the bus franchises. Soon after the present city administration, headed by Mayor James J. Walker, came into power the policy of establishing a general bus service throughout the city was adopted. The next step was the laying out of a system of routes for each of the boroughs by the board of transportation, of which J. H. Delaney is chairman. After the bus routes had been laid out a comprehensive form of franchise was elaborated and competitive bids were solicited. A large number of companies, most of them especially organized for the purpose, presented bids, and lively competition ensued.

One of the principal questions was whether the franchises should be awarded by boroughs, giving a grant to a separate company for each of the five boroughs, or to issue a city-wide franchise. The bids by the several companies were based partly on borough and partly on city-wide operation. When the several applications had been analyzed a report was made by Mr. Delaney on behalf of the board of transportation, favoring city-wide franchises and recommending that the grant be issued to the Equitable Coach Company which had offered not only the most favorable terms, but showed the financial capacity to furnish the most reliable service subject to adequate control by the city.

When the matter then came before the board of estimate and apportionment, which consists of the mayor, the comptroller, the president of the board of aldermen and the five borough presidents, sharp divergence of opinion developed as to policy. Three borough presidents preferred borough grants as against city-wide operation, and they were supported by Comptroller Berry. Mayor Walker and the president of the board of aldermen favored the city-wide system and were supported by two of the borough presidents. A further point of disagreement was whether the grants should be awarded to companies affiliated with the existing street railways for the purpose of coördinated service, or to wholly independent companies without street railway dependence.

A deadlock followed which has been responsible for the repeated postponements. The matter was not brought to a vote until a majority of the board formed a specific proposal. In the end, substantial compromises were made, and a majority vote was obtained principally in line with the mayor's policy of city-wide instead of individual borough grants, and to a company without street railway affiliations. An exception was made in the case of the Bronx for which the franchise was granted separately to a Third Avenue Railway Company subsidiary; in this borough the buses will be operated in "coördination" with existing railways which are a part of the Third Avenue system. For the other boroughs the award has gone to the Equitable Coach Company after the original bid had been revised and more favorable terms granted to the city. Substantial changes also had been made in the routing; in Manhattan the company will operate for the most part only cross-town, without competing with the longitudinal railway lines; a concession in the interest of agreement.

Almost immediately after the vote of the board was decided, judicial proceedings were started for an injunction against the awarding of a franchise to the Equitable Coach Company on the alleged ground that public hearings had not been properly held prior to the deciding vote, and that the award had been improperly made. The action, however, failed and the vote of the board was upheld. The next step at this writing is the granting by the transit commission of a "certificate of convenience and necessity," followed by formal award of the franchises. In the grant to the Equitable Coach Company, the city has full control and has obtained the maximum advantages available at the present time. The city's future course is free to establish a municipally-owned bus system whenever it obtains the legal right to do so, and chooses to "recapture" the bus properties. In the meanwhile, except for the single borough, the buses will be operated independently of the existing street railways and will, therefore, be given the full opportunity to prove themselves the more desirable and economical transportation agency. They will come in real competition with the existing street railways and the survivor must be accepted as economically the more fit for the special transportation service. In New York the buses and service lines are primarily for short-distance riders, while the more long-distance traffic is carried by the subway and elevated lines. The bus lines are thus designed chiefly for local purposes and as feeders and distributors for the rapid transit system.

In the meanwhile, however, assuming that the formal proceedings for the full granting of the franchises will be completed, the independent bus company will probably not have a free legal course to devote its attention wholly to transportation. The street railways which will be affected by the buses, are expected to start court proceedings to prevent the competitive operation. Various questions of legal right and public policy will be raised. This promises to be a strenuous and long battle before the legal status of the buses will be fully decided. The experience of the bus operation, both in the field of transportation and litigation, will be of great importance to all municipalities all over the country. The policy adopted by the city of New York in dealing with the new mode of transportation is progressive and probably sound from the public standpoint. The results will be generally followed with the greatest of interest.

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Bus "Coördination" in New Jersey.—While the city of New York has decided for the most part upon an independent bus system which will not be financially and managerially connected with the existing street railways, the municipalities across the Hudson River in northern New Jersey have become, without their will or consent, subject to the opposite policy. There the buses are operated by a company which in fact is only a department of the Public Service Railway Company which in turn controls all the street railways in northern New Jersey. The buses are thus operated not as an independent system free to follow the best course of bus developments, but in "coördination" with the street railways. The scope and significance of "coördination" were involved in a matter that was recently heard by the Board of Public Utility Commissioners and was decided August 4 in a manner that was mostly unsatisfactory to the municipalities affected.

The development of bus operation in northern New Jersey has an interesting history and is characteristic of the particular locality. The Public Service Railway Company had a monopoly of street railway transportation throughout this large territory served, and in the exercise of the power was perhaps not always wise in the particular courses pursued. Consequently when the "jitneys" suddenly emerged about ten years ago, they found a ready welcome in the various municipalities. Out of the welter of early "jitney" operation, numerous independent bus lines emerged which operated on special permits granted by the municipalities. These lines came into active competition with the street railways and threatened the complete financial disruption of the existing mode of transportation. In this situation the Public Service management bethought itself somewhat tardily and concluded that in the interest of self-preservation it was better to buy out the competitive bus lines than to pursue longer the hapless course of competition.

The Public Service Transportation Company was thus organized as a special bus company which, however, was managed by the officers of the Public Service Railway Company and was in reality hardly even a separate operating department. To obtain control of all the numerous private bus lines, the new Transportation Company had to pay for the permits whatever prices were exacted. Some of the payments, as brought out in the recent hearings before the commission, were barely short of scandalous, and the average price was three or four times the physical value of the buses acquired. The Transportation Company was thus inaugurated with the terrific disadvantage of a grossly inflated capital account, and in addition was not a free agent to pursue its own economic course in working out its financial salvation. The private operators apparently had been able to do very well under their permits, which uniformly provided for a given zone and a five-cent fare. The Transportation Company, however, incurred large losses for rather obvious reasons; its long struggle to obtain control of all the private bus lines and the lack of freedom to compete actively with the street railways.

The case before the commission involved a special feature of "coördination." In several instances the acquired bus zones operated at a five-cent fare were considerably longer than the more or less parallel street railway zones operated likewise at a five-cent fare. The management sought an equalization of the zones by dividing the bus zones to bring them down to equality with the street railways,—not by lengthening the railway zones to bring them up to the bus zones which had been specifically agreed to by the various municipalities in the special permits granted for bus operation. In at least three instances, however, there was no reality for even such proposed "coördination," because the street railways with which the bus zones were presumed to be out of harmony had been practically discontinued and only a "trace" of operation had been retained; the real purpose was the doubling of fares.

The municipalities affected naturally opposed the division of bus zones. The permits originally granted to the private operators definitely provided for a five-cent fare for the given zones; so it was urged that the new bus company should continue the obligations which it took over with the original grants. The case was keenly contested. In spite of the grave financial and operating handicaps of the Transportation Company during the first three years of operation, the fact appeared that by the close of 1926 the company had reached a self-sustaining financial position and was earning a fair return upon the reasonable investment in the properties. The principle was urged that bus fares and zones should be based upon the cost of bus operation without regard to cost or financial conditions on the part of the street railways. This view was in general approved by the commission in its decision on August 4. The zone changes proposed by the company, however, were nevertheless substantially approved although several modifications were ordered in the interest of better service and to avoid to some extent unwarranted duplication of fares. In the case of one of the municipalities, the zone points were fixed in the municipal centers, which serve as natural terminals for passengers, instead of the proposed municipal boundary lines which are wholly arbitrary in the establishment of zones. This modification, however, was not put into effect as to all of the municipalities.

The commission in this case was confronted with extremely difficult economic questions. The actual decision appears as mostly an evasion of the difficulties so far as the particular case was concerned, although the larger principle of freeing bus operation from the cost and financial requirements of street railways was clearly enunciated. The fundamental policy, therefore, seems to be established for satisfactory future treatment as to rates and zones on the two systems,—although there will always be the practical complications which in any given case will promote evasion.

The coördination of buses and street railways under the same management is an extremely difficult economic undertaking so far as the public interest is concerned. The two modes of transportation are so different, particularly as to relative investment and cost of maintenance, that they can hardly be operated by the same management without holding back the normal developments of the one in the interest of preserving the investment in the other. This appears to be the crux of the situation in New Jersey as was brought out by the municipalities. This difficulty will be largely avoided by the city of New York in granting the major bus franchises to an independent company which will not be under the financial necessity of coördinating bus with the street railway conditions.

There are, of course, phases of "coördination" that are economically desirable. Overhead costs can be greatly reduced and the spacing of cars and buses can be better arranged both in the interest of the public and to prevent sheer waste of service. But the difficulty is that the street railways inevitably have an enormous investment compared as with the buses. Consequently the "coördination" is likely to take the form of conducting bus operation in the interest of the much larger street railway investment. This is a fundamental consideration which should receive full consideration by all municipalities in determining future transportation policies in regard to street railway and bus systems.[1]

Maine Public Utilities.—This is a special report published as a number of the Bowdoin College Bulletin, prepared by Orren Chalmer Hormell, Ph.D., professor of government. The bulletin accomplishes excellently its purpose to bring together the principle data relating to the policies and methods of public ultility regulation with special reference to condition in the state of Maine.

The pamphlet (69 pages) presents, first, a general survey of public utilities, discussing their importance, distinguishing them from ordinary business, and outlining the necessary policies and methods for effective state regulation. It then considers in detail the situation in Maine, the scope of the utilities, the plan of regulation, the methods employed, and the special local problems.

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[1] The fundamental economic and financial issues were carefully worked out in the municipalities' brief; copies may be obtained by request to this department.

The chief problem is the same as the one which affects regulation generally all over the country: the establishment of definite policies and methods by which effective regulation, especially as to rates, may be carried out. The Maine commission, just as commissions generally, is working under the loose provision to fix reasonable rates without stating specifically how the reasonableness shall be measured. It has consequently encountered the usual conflict in the determination of "fair value," with the result that the job of rate-making has gone to a large extent by default. It started out practically adopting actual cost of the properties as the proper basis of return, but as a result of the economic upheavals following the war it has shifted to reproduction cost; it has not, however, based its "values" wholly upon the prices prevailing at the time of the valuation. Professor Hormell clearly believes that actual cost furnishes the proper rate base, although he does not make this a specific declaration.

The second problem has been that of the consolidation of the numerous companies through the holding company device,—just as in all other parts of the country. The local companies have been left intact, for the most part, as they were developed through the grants of local franchises, but they have been gradually brought together under unified control through successive holding company arrangements. The result is that a single group, The Middle West Utilities Company, controls the local distribution of electricity in 40 out of 69 municipalities having a population of 2,000 or over. As to population served, the same group controls 72 per cent of 434,100 total population. The rest of the industry is divided between several less important groups.

The holding company development, just as elsewhere, has particularly affected the electric business. In Maine it has had the special result that although the production and distribution of electricity are as yet wholly local in their scope, the final managerial and financial control has been transferred principally to Chicago. At present there is little or no real community of interest between the localities served and the non-resident management. Naturally this is a difficulty in effecting satisfactory standards of regulation.

The holding company and the absentee control raise an unusual question in Maine. The state in 1909 provided specifically through the rather well-known Fernald Law that no electric current generated directly or indirectly by water power in the state shall be transmitted beyond its confines for ordinary electric light and power purposes. A sole exception was made in the case of railroads in the transmission of power for the propulsion of trains. The state has a considerable volume of undeveloped water power, and the statute was enacted for the purpose of safeguarding these resources for its industrial and social development. There is doubt, however, whether this local purpose can be economically realized.

The control by the outside interests over the local electric companies was at least in part achieved in order to assure that the local water power will be used where it may be most advantageously marketed. This situation involves a lively conflict of interest which will doubtless lead to grave political battles. It seems that the Maine policy as expressed in the Fernald Law can hardly stand against the modern forces of interstate economic activity. But there is, nevertheless, the problem how such natural resources may be conserved in the public interest, without falling under the control of large power interests and without practically nullifying the state policy of regulation. The answer probably is not in forbidding the transmission of Maine generated power to other states, but in providing suitable methods of control by which a sound policy may be carried into effect.

Perhaps the principal problem of effective regulation in Maine as elsewhere appears in the organization and personnel of the commission. The salary of the chairman is only $5,000 a year, and that of the other two members $4,500 each. The clerk receives $2,500 a year and the assistant clerk $1,500; the chief engineer only $2,500. In 1915 the total salaries of the commissioners and the staff amounted to $30,651, which had increased to only $40,650 in 1924. During the ten-year period there has been the increase in duties due to the growth of the utilities and to the great economic upheavals seriously complicating the task of regulation; also there have been new duties imposed by the Legislature. How the commission has managed its job at all, with the niggardly financial support provided by the state, is all but a miracle. If regulation has not been satisfactory to the people of the state, the salary roll will disclose at least one of the major reasons. Pennywise economy in dealing with an important public function is extremely costly in terms of failure to function as intended in the public interest.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Secretary

The Governmental Research Conference was represented in the American contingent in Europe this summer at two important conferences. The first, the Third International Congress on the Science of Administration, was held in Paris during the latter part of June. It was attended chiefly by French, Belgian, Italian, German and Spanish delegates. The second was the Institute of Public Administration which is made up of British public officials. A distinguished group of Danish officials was in attendance by invitation. Luther Gulick attended both conferences and will report on them at the annual meeting of the Governmental Research Conference which will be held in New York City in November. A special visit was made also to the offices and library of the International Federation of Local Government Associations in Brussels.

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Boston Finance Commission.—During July the Boston Finance Commission completed reports on the following subjects: purchase of site for school on Roxbury Street; decision of supreme court in Coleman case and filing of new suit in matter; and sale of unused, city-owned land.

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Buffalo Municipal Research Bureau, Inc.—The Buffalo Bureau has been unusually busy since its establishment two months ago. The study of the city's financial practices and procedure, which was made the major part of the first six-months's program, is well under way and is being conducted by the local staff in coöperation with several staff members of the Detroit Bureau of Governmental Research. The study of Buffalo's water debt has been completed and certain suggestions and recommendations as to future policies have been made to the city commissioners. The water debt report was the first of a series of eight memoranda which will treat the subjects of budget procedure, purchasing, municipal revenues, general bonded debt, special assessments, assessments, and a general report on the financial condition of the city. It is hoped to complete the series by December 1.

The Bureau made a study of the proposed new charter for the city, to be voted on August 29, and in a public statement advocated its adoption by the electors "believing it to be superior to the existing charter in eleven major considerations." An analysis of these eleven points in detail was given to the public later in an issue of the Bureau's bulletin.

The bureau also has under way a survey of the park department.

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California Taxpayers' Association.—During July the educational commission of California Taxpayers' Association coöperated with the state Purchasing Agents' Association and with the state department of education in working out suitable forms and recommendations for carrying into effect the new law passed by the last session of the legislature making possible the centralized purchasing of school supplies by counties. The educational commission is also conducting a nation-wide study of the workings of the county unit system of school administration.

The Santa Paula city committee of California Taxpayers' Association has just completed its field work and will soon have available a complete report upon which civic associations and public officials will try to adopt a budget plan for public expenditures.

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Taxpayers' Research League of Delaware.—Recent newspaper statements that the per-capita cost of state government in Delaware is more than twice the average for the whole country caused considerable comment. The League published an analysis of the per-capita costs of the various services performed by the government in Delaware and in comparable states.

This analysis showed that Delaware pays more than the average per capita for general government, schools, public safety, conservation of natural resources, health and sanitation, libraries and interest on bonded debt; and less for highway maintenance, charities, hospitals, corrections, recreation, public-service enterprises, and miscellaneous services. The high point in the analysis was the fact that in 1925 Delaware spent $10.92 per capita for schools as compared with an average of $3.51 for all states. Using the United States Bureau of Education's figures, the League showed that of the total revenue receipts for school purposes in Delaware the state received and distributed 77.7 per cent, while the average state receives and distributes only 17.1 per cent.

At the request of members of the Public Lands Commission, the League compiled a digest of the laws concerning the public lands and the commission's past acts. The League has also assisted the National Tax Association's Committee on Simplification of the Federal Income Tax.

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Taxpayers' League of St. Louis County, Inc. (Duluth).—A suggestion was made to Commissioner Phillips in July that a survey of Duluth's sewer system be started at once. The rain storm of July 16 emphasized the need for improvement along this line. On August 1 a resolution was introduced by Commissioner Phillips appropriating $10,000 for the purpose of making a thorough study. The resolution was adopted by the city council.

The police manual which was drafted by the League some time ago has finally been ordered printed. This manual should not be confused with the civil service classification referred to in the report of last month. It is a printed booklet containing instructions for all members of the police force.

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Erskine Bureau for Street Traffic Research, Harvard University.—Dr. Miller McClintock, director of the Bureau, has been engaged for several months in a street traffic study in San Francisco. The survey was sponsored by a committee representing twenty-one local state and national organizations. The report of the survey, comprising 356 pages, was issued early in August.

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Citizens' Bureau of Milwaukee.—A simplification of the description of property for tax billing purposes has been worked out by the Citizens' Bureau of Milwaukee in coöperation with city officials. The necessary legislation has been passed by the 1927 legislature. Clerical work now done by the assessors will be dispensed with and the addressograph will be used. Each parcel of property will be given a number which will be recorded on the addressograph plates, and on sectional maps of the city. The present force of assessors will now be ample, in spite of the growth of the city, as a result of this reorganization of their work. Every taxpayer will be able to keep his title description and without the aid of a lawyer know that he has at least paid a tax for property in his own block. Twenty-five hundred cards and descriptions have already been written out; a total of 100,000 is required.

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Research Bureau, Newark, N. J. Chamber of Commerce.—At the present time the following subjects are engaging the attention of the Chamber, on which work has been or is being done by the Research Bureau: The council-manager plan of government for Newark; proposed thirty-million dollar state highway bond issue; continuation study of the effect upon highway revenue of the recently instituted gasoline tax; study of reports and notes thereon in connection with what is known as the Wanaqua Watershed Development; and preparation of a detailed plan to institute a "get-out-the-vote" campaign.

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Institute for Public Service, New York.—(submitted by William H. Allen, Director.) After nine months of planning a permanent organization, the Municipal Economy Committee has decided to abandon its program for the present. The lack of facts, and of nonpartisan effort to obtain and use facts about the tax dollar was unanimously conceded. The centrifugal forces were too strong, however.

Many of us felt that a great service had been rendered when the dominant business agencies announced last October that they were going to get budget facts currently for their members and for the public. Officials promised and gave coöperation. The press gave publicity. The town became budget conscious again.

Two outstanding budget results to which the Municipal Economy Committee notably contributed are of concern to all cities: items totalling $12,000,000, formerly borrowed and then paid out of debt service though definitely known in advance, were put in the budget instead of various dispensable increases and extensions; and for the budget estimates for next year a separate column is promised to show salary increases and other changes between January and July, 1927.

The Institute for Public Service brought the agencies together last year under the chairmanship of former comptroller H. A. Metz. George C. Pratt of the Merchants' Association joined Mr. Metz in the initial invitations. The president of that Association and George McAneny were vice presidents. As recently as mid-July it seemed that the majority of agencies were determined to go forward, although the Merchants' Association and two others had withdrawn.

The Institute will push another boulder up the same hill, for New York too desperately needs this kind of governmental research to tolerate continued lack of it. While organizing another group for a strong independent committee, the Institute is publishing facts about bus franchises to the highest bidder without public hearings, inequitable assessments, budget comparisons, failure to levy special assessments upon the few who will be enriched three to five billions by the new subways, the $300,000,000 debt limit extension, and the comptroller's failure to protect the public when he records himself as not voting instead of exposing and opposing what he considers costly errors and evils.

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National Institute of Public Administration, New York.—An informal conference on public welfare in government was held on July 28 and 29 at the offices of the National Institute of Public Administration in New York. Those in attendance were: Frank Bane, state commissioner of public welfare, Richmond, Va.; Charles A. Beard, consultant to National Institute of Public Administration, New York City; C. C. Carstens, director, Child Welfare League of America, New York City; Richard K. Conant, state commissioner of public welfare, Boston, Mass., William J. Ellis, commissioner, state department of institutions and agencies of New Jersey; John L. Gillin, professor of Sociology, University of Wisconsin, Madison, Wis.; Porter Lee, director, New York School of Social Work; Carl E. McCombs, National Institute of Public Administration; R. E. Miles, director, The Ohio Institute, Columbus, Ohio; Dr. Ellen F. Potter, medical director, state department of institutions and agencies of New Jersey; Ruth Taylor, deputy commissioner of public welfare, Westchester County, New York.

The outline of questions for discussion at the conference was as follows:

1. *Public Welfare Functions*
   (a) What services of government are properly to be included in the field of public welfare administration?
2. *Public Welfare Organization*
   (a) What type of administrative organization is best adapted to state and local requirements?
   (b) What should be the relation between state and local administrative agencies?
   (c) Should emphasis be placed upon the utilization of the county as the unit of local administration or should the local agency be designed to serve a community of social and economic interest rather than a political subdivision?
3. *Public Welfare Research*
   (a) What special research problems are in need of the attention of public and private welfare agencies?
   (b) To what extent is it practicable for state and local administrative agencies to undertake research, and how should they be organized for such purpose?
   (c) How can the various agencies interested in the promotion of public welfare research be brought into closer coöperation for the development of a purposeful research program?
4. *Financing Public Welfare Work*
   (a) Should local official public welfare agencies be financed in part by federal, state, or private subsidies or grants in aid? If so, to what extent and for what special purposes?
   (b) What public welfare services, if any, can be made wholly or partially self-supporting?
   (c) Is it practicable to work out minimum, standard public welfare budgets for states and local communities of various sizes assuming common administrative responsibilities of the agencies concerned?
5. *The Relation of Official and Unofficial Agencies*
   (a) What public welfare services can best be performed by private or unofficial agencies?
   (b) To what extent should official administrative agencies be authorized by law to advise and supervise the activities of unofficial agencies?
   (c) What is the best plan for securing the coöperation of unofficial agencies in support of the official program?
   (d) Should government provide financial aid to unofficial welfare agencies and, if so, on what basis?
6. *Public Welfare Education*
   (a) What instruction in public welfare organization aims, ideals, and methods should be offered in colleges and universities?

(b) What should the curricula of special schools of social work include with respect to government administration of public welfare work and related subjects, such as budget and finance, police, fire, health, public works, building regulation, parks, recreation, markets, etc.?

(c) What media can best be used for popular education in public welfare, and how?

7. *Public Welfare Statistics*

(a) What recommendations can be made to the United States bureau of the census for the improvement of its statistical compilations bearing upon public welfare, such as public expenditures, character and composition of people, social and economic conditions, inmates of institutions, etc.?

(b) What can be done to improve the statistical reports of public welfare agencies so that the information presented may be more readily compared?

(c) What statistical tests can be developed for the measurement of the efficiency of public welfare work?

(d) What cost units can be devised to permit better comparison of expenditure and the results of expenditure?

8. *Public Welfare Legislation*

(a) Is it practicable to draft a model code for state administration of public welfare work? If so, what should such a model law contain with respect to organization, functions, and administrative methods?

9. *The Form of Government in Relation to Public Welfare Administration*

(a) What form of state government is best adapted to efficient administration of state public welfare agencies and institutions?

(b) What form of local government is best adapted to efficient administration of local welfare work and to the maintenance by the state authority of desirable standards?

A report on the proceedings of this Conference will be published in a later issue of the NATIONAL MUNICIPAL REVIEW.

The National Institute of Public Administration is again serving as the research staff of the New York State Joint Legislative Committee on Taxation and Retrenchment. Luther Gulick and other members of the staff have worked with this committee every year since 1919. Senator Seabury C. Mastick, chairman of the committee, has announced that this year's investigations will deal with certain phases of educational finance.

Philip H. Cornick, of the Institute staff, has completed a study of special assessment methods in the twenty largest cities of Arkansas, Oklahoma, Texas, Arizona, California, Oregon, Washington, Colorado, Missouri, Illinois, and Michigan. In September he will continue his investigations in Ohio, Wisconsin and other states of the middle west.

Bruce Smith went to France in July. Sarah Greer, librarian, is in Paris partly for a vacation and partly to assist in the reorganization of the public administration library of the Ecole National de l'Administration Municipale.

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Osaka Society of Municipal Research, Osaka, Japan.—The first National Conference on Municipal Topics was held in the central public hall of Osaka from May 19 to 21, under the auspices of the Osaka Society of Municipal Research. Delegates numbering more than 500 were present from every section of Japan, including mayors, engineers, and students of government and civic affairs.

The first two days of the conference were devoted to sectional meetings on the four following subjects: fire fighting; plans for slum improvement; city planning and zoning; and park problems.

The last day of the conference was given over to tours of inspection of governmental activities in Osaka and neighboring cities.

A town planning show was held in connection with the conference, with exhibits on the subjects of the sectional meetings.

At the suggestion of Dr. Seki, mayor of Osaka, a permanent organization was formed and an executive committee was appointed to arrange for the next annual meeting.

NOTES AND EVENTS

EDITED BY RUSSELL FORBES

Western States Taxpayers' Conference.—The fifth annual Western States Taxpayers' Conference will be held at Santa Fe, New Mexico, September 1, 2, and 3. This conference will be attended by representatives of taxpayers and taxpayers' associations of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming. An interesting program has been arranged. Among the speakers will be George Vaughan of Little Rock, Arkansas, and William Bailey of Nephi, Utah, both past presidents of the National Tax Association. Dr. H. L. Lutz of Leland Stanford University will participate in the discussions. Other speakers will include Ex-Governor E. B. Colquitt of Texas; Senator J. D. Robertson of Idaho; and Ex-Governor H. J. Hagerman of New Mexico.

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Other Conventions.—The assembly of civil service commissions will hold its twentieth annual meeting in Buffalo, September 13 to 16. The program will cover many of the problems in the administrative work of selecting employees for governmental service. Headquarters will be at the Hotel Statler.

The annual convention of the International City Managers' Association will be held at Dubuque, Iowa, September 13, 14 and 15.

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Government Costs versus Population.—Does large population mean low per capita taxation? Most "booster" groups claim that it does and argue that the most effective way to reduce the tax burden is through attracting more people to the city. This theory is questioned and analyzed by the Citizens' Research Institute of Canada in *Tax Conference Report No. 52*. The report shows that taxation increased faster than population in the seven largest Canadian cities between 1921 and 1926, while cost of living was not higher in the latter year. In the older and more thickly populated sections "the tendency to higher costs in the larger cities is extremely noticeable."

London Squares Privately Owned.— London's public squares and garden spaces are owned for the most part by private individuals or corporations. Recognizing the danger of their extinction through building construction, the government is taking steps to secure them for public use by parliamentary action. A Royal Commission is proposed to investigate the intricate legal questions involved in securing public ownership. At the present time not over sixty of the total number of three hundred squares and gardens are safe from private use or sale.

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High Pressure Water System for Washington, D. C., Disapproved by Committee.—In its final report to the District Commissioners, a committee of investigation has unanimously disapproved the proposed installation of a high pressure water system which would have cost about $3,000,000. Instead, the committee recommended an immediate appropriation of $700,000 to provide an adequate water supply by enlarging the present mains, and to bring the fire-fighting equipment up to date. The committee further recommended that the building code of the district be amended to require installation of sprinkler systems and standpipes in all buildings deemed "conflagration breeders." The membership of the committee was as follows: George S. Watson, chairman, chief engineer of the fire department; Daniel E. Garges, secretary of the committee and of the Board of District Commissioners; George N. Thompson, secretary of the building code committee of the United States Department of Commerce; Charles A. Peters, Jr., assistant engineer, office of public buildings and public parks of the national capital; and David M. Lea, fire insurance man and member of the Washington Board of Trade.

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Metropolitan Districts.—The intimation that the Census Bureau will adopt a new method of estimating the boundaries of metropolitan districts for the census of manufactures has stimulated a movement in North Jersey to form a North Jersey Metropolitan District. The plan extends only to the securing of recognition for census purposes, but if successful may be the first step in the creation of a truly regional spirit in this thickly populated area.

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New Editor for Public Management.—Rolland S. Wallis, formerly city manager of Manistique, Michigan, took up his duties on July 21, as editor of *Public Management*, a monthly devoted to the conduct of local government. This magazine is the official organ of the International City Managers' Association in promoting the development of a technique of local government administration and a profession of municipal business managers. John G. Stutz continues as executive editor.

Mr. Wallis is particularly well qualified for the editorship of this magazine. He has had nine years' of experience as a teacher of various courses in municipal government, including water supply engineering, sanitary engineering, municipal economy, elements of city planning, landscape engineering, and roads and pavements. For five years he was connected with the University Extension Division of the Iowa State College as a municipal engineer. In this capacity he planned and conducted short courses for city officials, and compiled and edited a number of books and bulletins on the conduct of city business.

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City-county Consolidation Rejected in Portland, Oregon.—The proposed consolidation of the city of Portland, Oregon, with Multnomah County was disapproved by the voters at a referendum on June 28. *The Oregon Voter* for July 2 offered the following explanation of the election result: "The city and county consolidation amendment was a good measure, but in the absence of a crisis requiring its ratification there was really no chance to get it through. Any measure of this kind will be opposed by officeholders who fear something may happen to them if a change is made. Their opposition always will kill this kind of a measure until such time as public opinion is thoroughly awake on the subject."

*

Two Important Conferences—The editor received the following letter from Thomas H. Reed describing the recent Commonwealth Conference in Iowa City and the Institute of Public Affairs in the University of Virginia:

"It has been my privilege this summer to attend two remarkable conferences of especial interest to students of American government. The first of these was the annual Commonwealth Conference held toward the end of June at Iowa City under the able direction of Professor Benjamin F. Shambaugh. The general topic of the conference this year was municipal government. The five round table sessions were devoted to consideration of the legal status of the city, the police problem, public utilities, budgets and improvement of municipal organization.

"The round tables took place in the former senate chamber of the "Old Stone Capital"—a room of dignified and simple beauty. The center of the room is occupied by a huge square table with rows of chairs facing it from three directions. Immediately around the table sat a group of specially invited participants including W. B. Munro, A. R. Hatton, L. D. Upson, William Anderson, Morris Lambie, Gale Lowrie, C. E. Merriam and many other well known students of municipal affairs. Outside this circle sat the interested citizens who had come from all over Iowa and from neighboring states to take part in the conference. At each session a different leader opened the discussion with a twenty minute statement of the problem. Then one after another the group at the table went into the fray. They battled freely and without gloves. There probably has never been better or more vigorous discussion of the questions raised. Occasionally someone among the spectators would come in with questions or observations. At the end of the session the leader had a few minutes in which to reassert his position. The attendance ranged from a hundred to one hundred and fifty at the round table sessions. The attendance was somewhat larger at the two evening sessions where brief informal addresses were made by Charles E. Merriam, Isadore Loeb, Thomas H. Reed, A. R. Hatton and W. B. Munro.

"The Institute of Public Affairs held at the University of Virginia, August 8–20, has received extensive publicity in the papers of the country. The remarkable beauty of the surroundings, the historic associations of the spot and the long list of distinguished and brilliant speakers who addressed the Institute combined to make a deep impression on all those fortunate enough to attend it. It is possible that this institute will become a permanent feature of American life, doing for American government what the Williamstown Institute does for international affairs.

"Dean Charles G. Maphis of the University of Virginia Summer Session is to be congratulated on the energy and wisdom displayed in its organization. The backbone of the serious work of the Institute consisted of six round tables, holding six sessions each:

State and County Government—Dr. A. R. Hatton.
Farm Relief—President John L. Coulter.
Economic Development of the South—Prof. Gus W. Dyer.
Municipal Government—Thomas H. Reed.
Growing Tax Burdens—Mark Graves.
The Influence of the Press—Victor Rosewater.

"At 11.30 in the morning and 8.30 in the evening of each day, except Sunday, public lectures took place. It was to this feature that the Institute owed its extensive publicity. W. G. McAdoo, Albert C. Ritchie and Carter Glass could not engage in impassioned debate of the prohibition question without exciting nationwide comment. As for the attendants on the Institute, they forgot their midday meal to listen. Henry W. Anderson, Republican lawyer of Richmond, produced an almost equal effect with his discussion of the "Solid South." Among the other distinguished speakers were Governor Byrd of Virginia on state and county reorganization; Senator Bruce of Maryland on prohibition; Justice John H. Clarke on the League of Nations; Ex-Governor Henry Allen on the St. Lawrence waterway and other subjects; Ogden Mills on treasury financing, etc.

"There are institutes and institutes, but if one wants a profitable study of some serious question plus entertainment, exhilaration and the most unique university atmosphere in America let him come to the Institute of Public Affairs of the University of Virginia."

Thomas H. Reed.

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THE LEAGUE'S BUSINESS

Annual Meeting of the National Municipal League.—The Association of the Bar of the City of New York, 42 West 44th Street, will be headquarters for all sessions of the thirty-third annual meeting of the National Municipal League. The Governmental Research Conference and the National Association of Civic Secretaries will meet in New York at the same time. The National Municipal League meetings will be held November 10 and 11; the Governmental Research Conference and the National Association of Civic Secretaries, November 9–11. Preliminary programs will be ready for distribution shortly. Copies of the program will be sent to all members. Plan to attend. All sessions except the business meeting are open to the public.

⁂

Secretary Returning from Leave of Absence—H. W. Dodds returns September 19 from Nicaragua, where, at the request of the Nicaraguan Government, he has been redrafting the Nicaragua election law to make possible military supervision by the United States at the presidential election in 1928. The election law as it stands on the statute books was drafted by Mr. Dodds in 1922.

During the absence of the secretary, Russell Forbes, director of the Municipal Administration Service, is editing the REVIEW and G. R. Howe, assistant secretary of the League, is in command of other activities.

⁂

The Baldwin Prize.—The Baldwin Prize of one hundred dollars awarded each year for the best essay by a college student on some phase of municipal government was this year won by Roland Arthur Colby of Harvard University. The subject of the winning essay is "Progress in Municipal Home Rule Since 1900." Honorable mention was awarded Allen T. Rooch of the University of Cincinnati and Albert S. Reinhart of Harvard University.

The subjects for the 1928 contest were published in the NATIONAL MUNICIPAL REVIEW for September (see page 551). Full information as to topics and terms of the contest have been sent to professors of government in the universities and colleges throughout the country to whom students interested in the contest should refer.

⁂

The Municipal Administration Service, operating under the auspices of the National Municipal League and the Governmental Research Conference, has issued a fourth pamphlet in its series of publications on administration. This fourth pamphlet is entitled, "The Preparation of a Long-Term Financial Program," and was written by C. E. Rightor, chief accountant, Detroit Bureau of Governmental Research, and secretary, Mayor's Committee on Finances, city of Detroit.

NATIONAL MUNICIPAL REVIEW

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EDITORIAL COMMENT

EDITED BY RUSSELL FORBES

The battle for city manager government is not won when a charter is adopted. This is well illustrated by the present political situation in Rochester, as reported by the Rochester Bureau of Municipal Research:

> The City Manager League, an organization of citizens non-partisan in character, which was active in putting across the charter in 1925, recently approved a list of eighteen candidates for election to the first council of nine under the city manager government which becomes effective January 1, 1928. This list of eighteen represents a fair cross-section of the community both from the standpoint of political complexion and financial position.
>
> The Democrats in picking their slate of nine for the primaries chose five from this approved list. The Republican party is split wide open into two factions, the regular Republicans and the independent Republicans. The regular Republicans, headed by the county clerk, who has been the political boss since the passing of George Aldridge, ignored the approved list entirely and picked nine men who may be regarded as inimical to the plan. The independent Republicans, a group including many city manager advocates, have picked a slate composed entirely of men named by the City Manager League.
>
> Inasmuch as Rochester is a Republican stronghold, the real issue of the election centers in the Republican primaries. The outcome will determine to a very large extent whether the first council is to be entirely in sympathy with or entirely opposed to the plan of government under its control. If the independent Republicans are victorious the citizens are assured of a favorable council whatever the outcome of the November election. If the regular Republicans are successful in the primaries they have a very strong chance of carrying the November election with their entire slate.

*

Progress in Housing Legislation

After several years of agitation by the Pennsylvania Housing and Town Planning Association, various civic organizations, and state officials, the legislature enacted this year a law which permits any city, borough or first-class township of Pennsylvania to "regulate by ordinance the construction, alteration, repairs, occupation, maintenance, sanitation, lighting, ventilation, water supply, toilet facilities, drainage, use and inspection of all buildings used for human habitation." For years city councils have been in doubt as to their authority over housing matters; consequently, the cities have done little. This law removes all doubt of the city's control over housing, and at the same time places the responsibility squarely upon local officials.

New York City has recently passed an amendment to its charter which permits the city to construct and lease residence buildings on land acquired by excess condemnation. Several street-widening projects are under way or contemplated in the lower East-side of

Manhattan. It is proposed to condemn a strip of land on either side of the street in excess of that required for the widening and to use such land for the construction of modern tenements, to be leased at moderate rentals. The responsibility for such housing projects will be vested in the sinking fund commission.

The article in this issue by George B. Ford on "Standards for Improved Housing Laws" is therefore timely and pertinent. Mr. Ford is vice president of the Technical Advisory Corporation and also past president of the International Federation for Town Planning and Housing. From the wealth of his experience, Mr. Ford points out the minimum requirements for various classes of dwellings to insure proper living conditions. His suggestions are presented in summary form for ready use by cities which are considering a revision of their housing laws.

*

The U. S. Supreme Court Speaks on Racial Equality White supremacy at the polls has been maintained in the South by various legal and extra-legal measures. Generally, the state executive committee of the political parties has been the final arbiter of the qualifications of primary electors. Texas, however, went a step further by enacting a law which debarred negroes from participation in primary elections and which declared that any ballot cast by a negro in a primary election should be void. Since the Democratic primary is the real election in Texas, this law was intended in effect to disfranchise the negro. When this law was declared by the U. S. Supreme Court to be a violation of the fourteenth amendment, the Texas legislature passed a substitute measure similar to that in force in other southern states, which authorizes the executive committee of the party to prescribe election qualifications for its members. Professor Pate in his article on "The Texas White Primary Law" predicts that this, too, will be invalidated by the U. S. Supreme Court when it comes before that tribunal.

Of interest in this connection is another recent decision of the U. S. Supreme Court on racial discrimination in zoning. The city of New Orleans passed an ordinance some time ago, under permissive state legislation, which barred negroes from residence in predominantly white communities where a majority of the white residents had not given their consent in writing. Although at the same time prohibiting a white person from residence in a negro community without majority consent of the negro residents, the ordinance was obviously aimed to keep negroes in their own "zones." The ordinance was declared unconstitutional by the court which cited its decision in *Buchanan* v. *Warley*, a case arising in Louisville in 1917. This decision will permit negroes legally to pick and choose any residential section of New Orleans in which to abide.

*

Citizen Participation in Government Many towns and cities could well take a cue from the experience of Harrison, N. Y. Finding itself enmeshed in the errors of omission and commission of preceding administrations, the present administration turned to its citizens for advice and aid. Harrison is a town composed largely of commuters, many of whom are notedly successful in various business fields. Its finance committee, headed by Carl H. Pforzheimer, is a non-official group which works with and advises the town board in the solution of its administrative problems. The description of its methods and the results accomplished, as discussed by the committee's research secretary will be interesting and suggestive to other cities and citizens.

*

An Industrial City Built to Order

The wisdom of the saying "get them young" could scarcely be better illustrated than by the results of town planning in Kingsport, Tennessee. The story of Kingsport's development is told by John Nolen, the distinguished landscape architect and town planner, in a recent issue of *The American Review of Reviews*. In 1912 two farm houses comprised the only human habitations on the present site of Kingsport. In 1915 a new railroad penetrated that district and made necessary the establishment there of a railroad center. Today it has become a live city of over 10,000 population.

A large Portland cement company soon established its headquarters and factory in Kingsport. Eight other large industrial concerns followed suit. All of these interests combined to form the Kingsport Improvement Corporation. The corporation wisely employed the services of John Nolen as town planner and Clinton Mackenzie as architect. Homes designed according to approved housing standards were constructed and sold at cost plus 6 per cent, or leased at very moderate rentals. The typical six-room house was rented at $25 per month. The highest grade houses for salaried executives were sold at about $10,000. Some of the lower priced houses were built according to Mark Twain's plan—with the kitchen in front, permitting the mother to enjoy the passing sights while keeping an eye on her children at play.

All of the industrial interests combined in taking out group insurance for all their workers, male and female. The insurance covered life, health, and accident, and the premiums were paid in all cases by the employing corporation.

The town was carefully zoned. A separate district was established for the negro population; but unlike many colored zones, comfortable houses with modern improvements were provided.

The town government is of the city manager type with a charter modeled on the recommendations of the New York Bureau of Municipal Research.

Kingsport, Tennessee, was thus built to order from the ground up. By starting with a well-defined plan, it has avoided the early mistakes in planning with which so many older towns have been burdened.

*

Political Trauma in Fort Myers

A $1,500,000 paving contract has been the storm center of an interesting political situation in Fort Myers, Florida. Major A. B. Cutter, previously manager of the city and now one of the city commissioners, and a distinguished engineer, urged that the contract be awarded to the Southern Paving Company. The other competitive bidder was a local man. Following the award of the contract, the local contractor and his friends aroused a storm of protest. Two of the city commissioners resigned, and a third joined the opposition in placing all the blame upon Major Cutter and his fellow commissioner, Frank Kellow.

A petition for recall of these two commissioners having received a sufficient number of signatures, a recall vote was taken on September 7. But the recall proposal failed to secure a sufficient number of affirmative votes, and Commissioners Cutter and Kellow will therefore remain in office until the end of their term in 1930.

The day following the referendum, the victorious group staged a mock burial ceremony in which the leaders of the opposition were buried in effigy with fitting funeral orations and elaborate placard announcements.

The whole campaign was conducted with much mud-slinging, and many charges and countercharges, as a result of which the city will probably not recover its poise for some time.

*

Vice Crusade Stirs Atlantic City

For some months past the attractions of Atlantic City as a seaside resort and bathing beauty center have been temporarily dimmed by a reform campaign in city politics.

Convinced that the police were conniving with and protecting the underworld element, a group of prominent landowners and civic workers formed the Municipal Research League. The League operated under the auspices of the Chamber of Commerce and joined forces with the Northside Welfare League, a negro organization. Investigators were employed to uncover evidence that the police were receiving "hush money" from the saloons and other vice interests. After submitting the results of his investigation, the chief investigator left the city alleging that his life had repeatedly been threatened.

The Municipal Research League then presented its findings to the grand jury and asked for indictments of several leading city officials and the proprietors of some of the more notorious dives. The grand jury found the evidence to be insufficient for indictment and in its report bitterly condemned the Research League. As we go to press the newspapers report that some of the leaders of the Municipal Research League and the Northside Welfare League have been placed under arrest for conspiracy.

The city officials announce that they are going to reform the reformers. The Research League asserts, however, that its efforts have already reduced crime in Atlantic City, and that it will continue its investigation.

The National Municipal League will hold its 33rd Annual Meeting in New York City November 10 and 11. The sessions will take the form of round tables in which the Governmental Research Conference and the National Association of Civic Secretaries will join. Meetings will be held at the Association of the Bar, 42 West 44th Street. Everyone interested is cordially invited to attend.

The Governmental Research Conference and the National Association of Civic Secretaries will meet individually on November 9 the day preceding the joint sessions.

PUTTING THE CITIZENS TO WORK FOR GOVERNMENT

BY HUBERT W. STONE

Research Secretary, Finance Committee, Harrison, N. Y.

Town officials of Harrison, N. Y., receive expert advice and assistance in budgeting and other administrative problems from a non-official group of citizens called the Finance Committee. :: :: ::

How may the most intelligent citizens be induced to take an active interest in their local government? How may they be persuaded to give to the solution of their civic problems the same thoughtful consideration consistently given to their business enterprises? This is an ever-present problem of suburban communities. The citizens claim that their local officials forget that they are public servants and discourage what they deem meddlesome and intrusive participation in government affairs by citizens and civic organizations. In Harrison, New York, a plan has been devised whereby the latter advise the officials in the administration of government.

Situated in the southern end of Westchester County, twenty-two miles distant from New York City, Harrison is a typical suburban town. Within its boundaries are twenty square miles. The population of 7,000 is concentrated in two sections at opposite ends of the town. The area between these two communities is occupied by large estates, country clubs and small farms. The assessed valuation of the real property is nearly $25,000,000. For general town purposes which includes the support of local administrative agencies, highway maintenance and police protection, $345,000 was appropriated for the current year. To meet the cost of services rendered to special districts, *i.e.* sewage and garbage disposal, light, water supply and fire protection, $185,000 additional was appropriated. The budgets of the five school districts totalled $200,000.

THE ADMINISTRATIVE ORGANIZATION

The governmental organization of Harrison differs in no essential respects from that of other New York towns. The supervisor, elected for a two-year term, is the chief executive. Local legislation is handled by an elective board composed of the supervisor; four justices of the peace, term four years; and the town clerk, term two years. Another important elected official is the receiver of taxes. Until recently there was an elective board of three assessors. The town has several special districts. The police district includes the whole area of the town and is under the control of three commissioners appointed by the town board. The other special districts are located only in the more thickly populated sections. In each, matters relating to water supply and fire protection are handled by a board of three commissioners also appointed by the local legislative body. Similar boards have supervision over the sewer districts. The town board itself directly supervises the three lighting districts, the two sidewalk districts and the two garbage districts. School boards are elected from the particular districts over which they have jurisdiction.

During the administration immediately preceding 1922 the only record of town expenditures was to be found in the personal check book of the supervisor. No attempt had been made to keep accounting records according to modern bookkeeping methods. No periodic statements of the financial condition of the town had ever been prepared. A "budget system" was unheard of. The tax department had been unpardonably lax in the collection of taxes in arrears, some of which had not been paid since 1896. Altogether 4,600 lots were subject to sale for back taxes.

As has so frequently been the case a local political upheaval was required to introduce desirable changes. Benjamin I. Taylor, an unusually intelligent and capable executive, headed the administration which took office in 1922. Mr. Taylor has been associated with a number of civic reform movements and has served the National Municipal League as a member of the Committee on Municipal Borrowings which drafted the recently published "Model Bond Law." He is now serving his third consecutive term as supervisor. To put the town on a better financial basis, to bring order out of the existing chaos, was the most urgent problem confronting the administration. For the solution of these problems the members of the town board felt that they should enlist the help of their most able electors.

AN ADVISORY COMMITTEE OF CITIZENS IS ORGANIZED

By a resolution the supervisor was empowered to appoint an unofficial body of citizens, to be known as the Finance Committee, to consult with him and the several members of the town board relative to the annual budget, special matters of financial policy and other town affairs. To insure the selection of a nonpartisan committee, wholly unprejudiced by their local political affiliations, the supervisor appointed only the chairman. Carl H. Pforzheimer, a prominent New York financier, was chosen to fill this position. He is well known among those actively engaged in the promotion of better municipal government, having been treasurer of the National Municipal League for the past several years. To work with him, Mr. Pforzheimer selected from the different sections of the town ten other representative citizens distinguished in the fields of finance, law and business, who, with the members of the town board, constitute the personnel of the committee. Of the citizens selected by the chairman, George Arents, Jr., Murray Lee and Franklin Ryan are financiers; Junius Parker, Louis B. Rolston and Frederick Tanner, lawyers; Frederick D. Fremd, landscape engineer; Harry A. Sattler, retired editor and owner of the local paper; and George A. Danner, realtor.

GOVERNMENTAL REFORM UNDER THE COMMITTEE'S GUIDANCE

The efforts of the committee have been rewarded by very practical achievements. At the outset expert advisors from the state comptroller's office and the New York Bureau of Municipal Research were called in to suggest the most direct way and the most expeditious means of leading the town out of the financial morass in which they found it. Under such direction a thoroughgoing budget system was introduced and modern methods of bookkeeping and accounting put into operation.

Proceedings were shortly instituted to foreclose tax liens amounting to $330,000 on the 4,600 lots in the town. To date the number of outstanding liens has been reduced to 1,000, and they will be foreclosed this year.

As has been characteristic of Westchester County communities during the past few years, the building trades have been very active in Harrison. Since some forward looking direction of their activities was necessary, an engineer who had specialized in the field was engaged to study the local situation and to draft a building and zoning ordinance. This was subsequently adopted by the town board and has been rigidly enforced by a competent building inspector.

Students of town government in New York have joined in disapproval of the fee system of compensation. The justices of the peace were paid on this basis until, upon recommendation of the Finance Committee, all fees were taken from them and they were allowed fixed salaries for their services.

Until January 1927, there had been an elective board of three assessors. Due to the rapid development of the town, it was becoming impossible for these part-time officers to discharge their duties efficiently. This was called to the attention of the committee which, after careful consideration, decided to displace the board by one full-time assessor to be appointed by the town board, to serve at its pleasure. This change became effective by a resolution of the board.

For the past three years an accountant has been employed to make current audits and to prepare a monthly statement of the financial status of the town. This promotes careful control by spending agencies in order that no governmental unit will exceed its budget appropriation.

The Finance Committee plays a very important rôle in the budget procedure. By the middle of November the supervisor has at hand a record of the expenditures of the several town officials for the past year and for the current year to date, with detailed estimates of the amounts needed for the coming year. At several meetings of the committee each appropriation is carefully checked over and its approval is given before the final appropriation bill is passed by the town board. The supervisor is usually cognizant of the needs of each department; but when any large increases are asked, or when there is any substantial change to be made in the organization of a unit, those particularly concerned are asked to attend the meeting to supply further information pertinent to the subject. When such consideration is given to fiscal problems, precipitous or ill-advised action is effectively precluded. The service of the committee in this particular field has not only been a matter of local interest but has deservedly attracted the commendation of experts on financial planning and control throughout the state. In 1923 the Special Joint Committee on Taxation and Retrenchment appointed by the State Legislature made a thorough study of county, town and village government. From their report the following paragraph is quoted:[1]

> A unique feature of the budget procedure in the town of Harrison, which the committee wishes particularly to commend, is the Committee on Finance which passes on the requests of the various officers for appropriations and makes recommendations to the town board on financial matters before final action is taken. This committee is composed of the supervisor, the town clerk and a number of unofficial citizens, including men of unusual ability and experience in business—men of the type who generally take no active interest in town government. It was stated to the representative of the committee that the introduction of the budget system and the Committee on Finance had resulted in lowering by many thousands of dollars the appropriations for the coming year and in the decrease of the local tax rate.

The field of coöperation between the town officials and the citizens was not confined to fiscal matters and the formation of the Finance Committee, but extended into another very important department, that of police. To secure the most efficient police service by removing it from the sphere of politics the chairman of the Finance Committee was asked to suggest the names of three men who would be willing and able to act as police commissioners. Those now serving are Hugh J. Chisolm, a paper manufacturer; William A. Read, Jr., and Douglas Gibbons, both bond brokers. These men have given to their duties the same consideration and thought and have rendered the same distinctive service in that field as the Finance Committee has in fiscal matters.

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[1] Legislative Document (1923), No. 55, p. 195.

CONTINUOUS CONTACT WITH THE TOWN OFFICIALS THROUGH A RESEARCH SECRETARY

As with any other plan which might have been devised certain imperfections became apparent. The committee met at irregular intervals and the majority of its members being New York business men were out of intimate contact with local officials. The bulk of the information upon which their judgments were based was supplied by the town officers only at such times as the committee met. This had obvious defects. To overcome these difficulties a research secretary who had had some training and experience in governmental affairs was engaged on behalf of the committee. It devolved upon him to make a careful study of all problems to be considered by the committee and to prepare the necessary reports. While he is not a town official, his services are available when desired by the local officers. He is frequently called upon to do special work for them. By being in daily contact with these officers he has brought about a closer and consequently more helpful coöperation with the Finance Committee.

After a testing period of five years this plan has advanced beyond the stage of experimentation. It has been and continues to be weighed in the balance of service to fellow taxpayers. Officials and committee members are determined that it shall not be found wanting. The experience of the town of Harrison is certainly encouraging evidence that the most intelligent citizens of a suburban community are willing to give of their time and thought to the solution of their town problems.

THE TEXAS WHITE PRIMARY LAW

BY JAMES E. PATE
College of William and Mary

The original act having been declared unconstitutional by U. S. Supreme Court, Texas passes a new law to exclude negroes from primaries. :: :: :: :: :: :: :: :: ::

VARIOUS methods have been devised in the South since the Civil War for maintaining white supremacy at the polls. The introduction of the direct primary has simplified this problem because nomination in the primary is tantamount to election; and the political party is reasonably safe if it regulates the color of those who are allowed to participate in the nomination.

A problem confronting the party is over-zealous regulation on the part of the state. The legislatures of several southern states have presumed that the party has no power to make any rules or regulations, or prescribe any qualification for membership unless that power is specifically delegated by the state. Therefore, we find that the legislatures of five states in the South have specifically granted to the party the power to make its own rules and regulations. Four states—Virginia, North Carolina, Kentucky, and Oklahoma—have adopted reasonable laws for safeguarding the primary by allowing the judges of election to challenge any person who is not honestly seeking to participate as a member in the primary of the particular party. The person challenged is required to take an oath that he is in good faith a member of the party whose candidate he seeks to assist in nominating, and that it is his intention to support the nominees of the party at the general election. The states of Florida, Alabama, Louisiana, and Tennessee have given the state central committee of the party the power to prescribe qualifications for voting in addition to those laid down in the constitution and statutes. The central committee of the political party is of course supposed to know what is this additional qualification. They have usually taken the cue and have passed resolutions making this qualification mean a white democrat. It has remained for the Texas Legislature to presume no such knowledge on the part of the state committee. It is, therefore, prescribed in Article 3107 that "in no event shall a negro be eligible to participate in a Democratic party primary election held in the State of Texas, and should a negro vote in a Democratic primary election such ballot shall be void and election officials shall not count the same."

UPHELD BY DISTRICT COURT

An occasion was presented to the U. S. District Court in April, 1924, to decide the validity of this law when a negro voter brought suit to enjoin the chairman of the Democratic party of Bexar County from enforcing the statute which denied him the privilege of participating in the selection of the party's candidates for state and national offices.[1] The court held that the law was valid as within the police power of the state. The court was of the opinion that the right of a citizen to vote in a primary was not protected by the fourteenth and fifteenth amendments since "primaries," quoting from *U. S.* v. *Newberry*, "are in no sense elections for an office but merely methods by which party adherents agree upon candidates whom they intend to offer and support for ultimate choice by all qualified electors."

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[1] *Chandler* v. *Neff*, 298 F. 515.

DECLARED UNCONSTITUTIONAL BY U. S. SUPREME COURT

The next opportunity for testing the constitutionality of the Texas Primary Law came when a negro democrat of El Paso brought action for $5,000 damages against the judges of election and others for refusing to permit him to vote in a democratic primary. The case was carried to the U. S. Supreme Court on a writ of error.[1] Justice Holmes, speaking for the court, held that the law violated the fourteenth amendment. The opinion is written in Justice Holmes' distinctive style. The fifteenth amendment was not involved in the decision, since sufficient reason was found to set the law aside in that it denied the equal protection of the laws which is guaranteed by the fourteenth amendment. As stated by the court, "the states may do a good deal of classifying, that it is difficult to believe rational, but there are limits, and it is too clear for extended argument that color cannot be made the basis of a statutory classification affecting the right set up in this case."

This decision has excited discussion and two views have been expressed as to the present status of primaries. One view is that the Supreme Court has declared primaries to be elections. This attitude is based on the statement made by the court that, "recovery for damages may be had for wrongful refusal to permit a negro to vote at a primary election on the same grounds that allow recovery for denial of right to vote at final elections, as primary elections may determine final result." The better opinion, however, would seem to be that the Supreme Court has not overruled the definition given to primaries in the Newberry Case, as the court did not declare the Texas law void on account of depriving the negro of the right to vote in an election. It is clear that if the court had intended to overrule the Newberry Case and hold the primary an election the fifteenth amendment would have been used as the chief reason for setting the law aside.

In the light of this case, therefore, it can be said that the federal government has not yet asserted power over state primaries. Neither does the court undertake to determine the color or personnel of the voters in a party primary. It merely decides that the state cannot regulate by law the color of participants. The decision could not have been otherwise in view of a law so clearly discriminatory. It is so regarded by the Texas press.

TEXAS LEGISLATURE PASSES NEW LAW

The fortieth legislature of Texas was in session when the decision of the Supreme Court was announced. It was opportune that the law-making body was in session, according to the thinking of some politicians, so that steps could be immediately taken to protect the democratic primary from negro contamination. Steps were, therefore, taken to place a law on the statute book to take the place of the one which the court's decision had stricken out. The new Texas White Primary Law reads as follows:

> Every political party in this state through its state executive committee shall have the power to prescribe the qualifications of its own mem-

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[1] *Nixon* v. *Herndon, et al.*, Supreme Court Reporter, vol. 47, p. 446.

bers and shall in its own way determine who shall be qualified to vote or otherwise participate in such political party; provided, that no person shall ever be denied the right to participate in a primary in this state because of former political views or affiliations or because of membership or non-membership in organizations other than the political party.

As quoted, the law is similar to the statutes of Florida, Alabama, Louisiana, and Tennessee. If the Supreme Court of Louisiana is to be taken as final, a law of this character is good and offers no point of vulnerability.[1] According to the Louisiana court an act of this character could not be attacked as depriving a person of the right to vote or as discriminating indirectly against persons on account of color, because the legislature has not undertaken to fix any political qualifications of voters at a primary, but has "wisely left the matter to the state central committees of the several parties." Neither can the law be set aside as a delegation of legislative power, which is forbidden by the state constitution. For the committees hold such power not by delegation but "virtute officii as being the governing bodies of the political parties. The legislature has simply abstained from interfering, leaving the power where it originally resided and naturally belongs."

REMOVAL OF LEGISLATIVE CONTROL IS AN ALTERNATIVE

This reference to the opinion of the Louisiana court illustrates the point of view of a state court on a law of the same character as the present Texas White Primary Law. Whether the Supreme Court of the United States, if the law is ever tested before that tribunal, will sustain such a point of view is very doubtful. The law is clearly a subterfuge. It endeavors to do indirectly what the Supreme Court has held it cannot do directly. It would seem that the only recourse of the political party if it desires to maintain a lily-white primary is to persuade the legislature to emancipate the party from legislative control. In other words the legislature should neither directly nor indirectly pretend to determine the qualification of participants in primaries. If thus left to party officials it is probable that their decision, as non-agents of the state government in a matter which is of a social nature, would not conflict with the Constitution of the United States. Otherwise a return to the convention system as a means of nominating candidates for office is predicted.

In the meantime the menace of negro domination in the primaries of the South is not real. The political ambition of the negro is not a source of disturbance. As a leading Texas editor observes, they are not interested in politics; at least, Democratic politics. "But if voting a straight ticket is a mark of inward excellence, the fact that an occasional negro wishes to imitate his white neighbor is at once a compliment to him and a testimonial to his good taste."

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[1] *State* v. *Michel*, 121 La. 393.

WASHINGTON, D. C., VIA MARYLAND

BY J. BOND SMITH

General Counsel, Maryland—National Capital Park and Planning Commission

Maryland will plan and beautify the approaches to the National Capital through the newly-established Maryland-Washington Metropolitan District. :: :: :: :: :: :: :: ::

Maryland's responsibility and opportunity in the development of the Nation's Capital were strikingly recognized by the 1927 Maryland legislature, which created the Maryland-National Capital Park and Planning Commission and gave it broad powers over the regional development of approximately 141 square miles of Maryland territory in Montgomery and Prince Georges counties adjacent to the District of Columbia. The area in question is incorporated for the purposes of the act under the name of the Maryland-Washington Metropolitan District.

The National Capital has been the subject of special solicitude from the point of view of city planning from the time of its foundation. Major l'Enfant was commissioned by General Washington to lay out a capital city, and did so. Successive administrators have carried the plan into effect abreast of the development of the population. The McMillan Plan for the placing of public buildings has been harmonized with the original scheme, and each decade has seen a distinct advance toward the making of Washington the most beautiful capital city in the world.

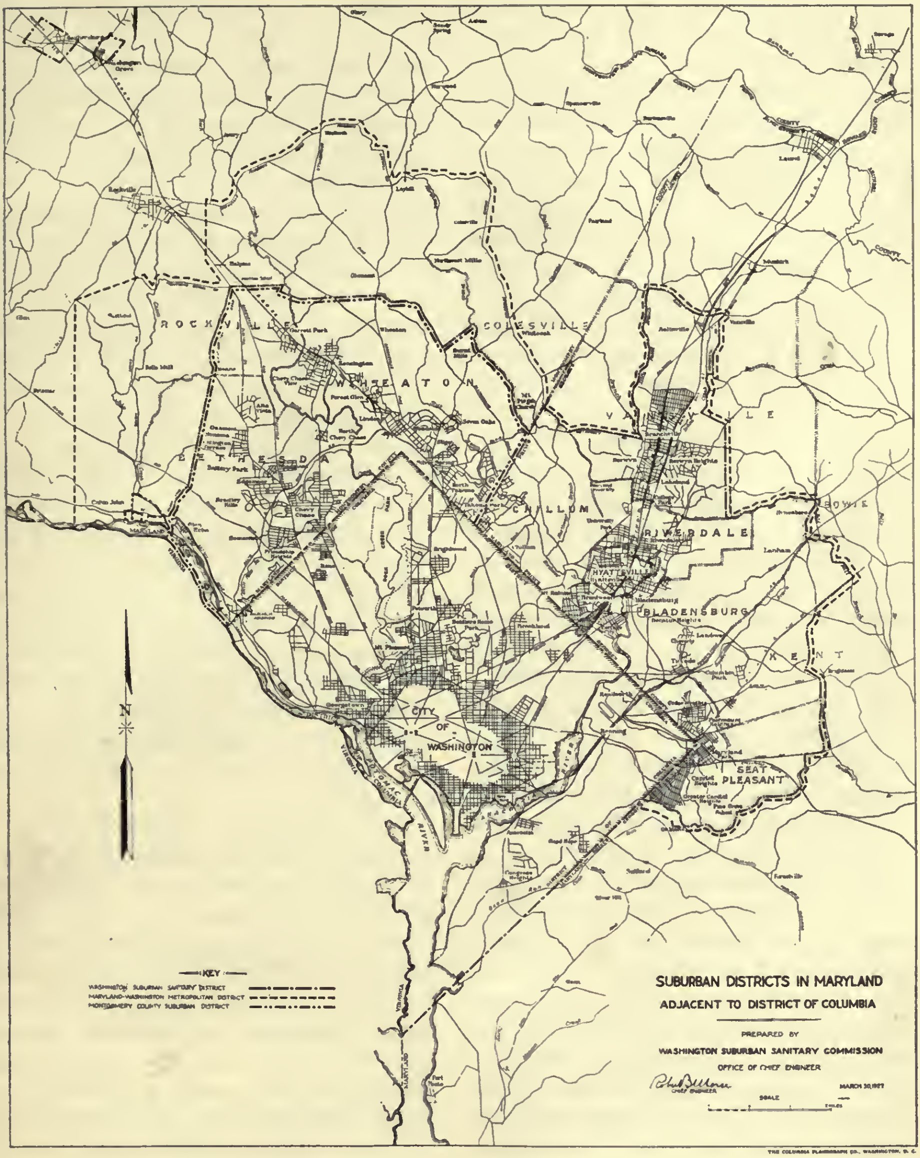
The development of Washington's suburbs has been especially rapid in recent years. This development has carried the favored residential sections beyond the line of the District of Columbia and into the Maryland counties of Montgomery and Prince Georges. It is there that the future growth of the Nation's Capital will occur.

Every American citizen has an interest in the beautification and proper development of the National Capital and its environs. The action of the State of Maryland, therefore, in creating a special district and a commission to administer it to the end that the suburbs of Washington shall be as well planned as the federal city itself, is a matter of national importance.

THE NEW METROPOLITAN DISTRICT

The new metropolitan district, as will be seen by the map of the area, is irregular in shape and is composed of the belt of Maryland territory suburban to Washington including fifteen incorporated towns and twelve special taxing areas, the latter exercising limited municipal powers. The population of the area is approximately 55,000 and its assessed valuation is upwards of $60,000,000.

The boundary of the new district begins on the north where the District of Columbia line meets the Potomac River and extends nearly around the portion of the district which originally had been ceded by Maryland for a federal capital. That portion originally ceded by Virginia and lying on the west side of the Potomac subsequently was ceded back to the Old Dominion.


ROCKVILLE
WHEATON
COLESVILLE
VANSVILLE
BETHESDA
CHILLUM
RIVERDALE
HYATTSVILLE
BLADENSBURG
KENT
BOWIE
SEAT PLEASANT
CITY OF WASHINGTON
POTOMAC RIVER
VIRGINIA
MARYLAND
N
KEY
WASHINGTON SUBURBAN SANITARY DISTRICT
MARYLAND-WASHINGTON METROPOLITAN DISTRICT
MONTGOMERY COUNTY SUBURBAN DISTRICT
SUBURBAN DISTRICTS IN MARYLAND
ADJACENT TO DISTRICT OF COLUMBIA
PREPARED BY
WASHINGTON SUBURBAN SANITARY COMMISSION
OFFICE OF CHIEF ENGINEER
Robert B. Morse
CHIEF ENGINEER
MARCH 30, 1927
SCALE
MILES
THE COLUMBIA PLANOGRAPH CO., WASHINGTON, D. C.

The irregular shape of the metropolitan district results from the inclusion of the valleys of the principal streams flowing through the area towards Washington such as Rock Creek and the northwest branch of the Anacostia River. Control of these valleys is essential for park purposes.

As shown by the map, the new district includes all of the territory embraced in the Washington Suburban Sanitary District, in which the Washington Suburban Sanitary Commission, under the direction of Chief Engineer Robert B. Morse, has installed one of the best water and sewer systems in the country. The new commission will coöperate closely with the sanitary commission.

Every effort will be made to preserve historic places within the district, such as the ancient town of Bladensburg where was fought the battle of Bladensburg in the War of 1812. The famous duelling ground, not far from Bladensburg, where affairs of honor were decided by sword and pistol in the early days, lies within the suburban district. Commodore Stephen Decatur fell there.

COMMISSION GIVEN BROAD POWERS

The new commission is vested with sweeping powers for zoning; subdivision control; approval of locations of streets and highways, parks, playgrounds, bridges, public buildings and public properties, public utilities and terminals whether publicly or privately owned, aviation fields and other open spaces; and the preservation of forests and natural scenery.

The first step, on which the commission is now engaged, is the preparation and adoption, after hearings, of a regional plan for the physical development of the new district.

Close coöperation with the National Capital Park and Planning Commission, created by Congress, and with other public agencies is assured by the Maryland law, which directs that the regional plan shall be made "with the general purpose of guiding and accomplishing a coördinated, comprehensive, adjusted, systematic and harmonious development of the district, and of the coördination and adjustment of said development with and to the public and private development of other parts of the State of Maryland, of the City of Washington and of the District of Columbia."

After full hearings, of which all owners of affected property will be notified, the general regional plan for the district will be adopted. Much work has already been done on this plan by the Washington Suburban Sanitary Commission and by the National Capital Park and Planning Commission.

Following the adoption of the general plan, no new streets or highways can be located, constructed or authorized until the location, character, extent, grade and arrangement thereof shall have been submitted to and approved by the commission. No street which does not conform to the plan can be accepted for public use, nor can any water mains or sewers or other public utilities be laid therein.

The commission is authorized to map and survey future streets and highways and to make plats thereof which it may adopt only after public hearing and due notice. After adoption such plats are attested and filed with the clerks of the circuit courts of each county and furnished to each property owner affected. Appeals are provided for.

Comprehensive zoning authority is vested in the respective boards of commissioners of the two counties, sitting as district councils. Such councils are empowered to enact zoning ordinances regulating and restricting the location and height of buildings and other structures and premises to be used for trade, industry, residence or other specified uses, following the certification to the county commissioners of the zoning plan adopted by the metropolitan district commission. Bulk of buildings, percentage of lot occupancy, set-back building lines, and area of yards, courts and other open spaces fall within the scope of the zoning plan and ordinance. A zoning board of appeals is established for each county. Building permits are required to be issued only in conformity with regulations enacted by the respective district councils.

The commission is directed to report with recommendations to the Maryland legislature of 1929 as to transportation service and facilities within the district, the coördination thereof upon the highways, roads, bridges, railroads, street railways and other arteries of traffic, the manner of effecting such co-relationship, and what improvements and new facilities should be provided for a comprehensive and coördinated development of transportation for the district.

Governor Albert C. Ritchie of Maryland has named the following as members of the new district commission: Irvin Owings of Hyattsville, chairman; T. Howard Duckett of Hyattsville; Robert G. Hilton of Rockville; George P. Hoover of Chevy Chase; P. Blair Lee of Silver Spring; and George N. Palmer of Seat Pleasant. Thomas Hampton of Bethesda has been appointed as secretary-treasurer and J. Bond Smith of Takoma, as general counsel.

HOW COMMISSION IS FINANCED

The commission is financed by a direct tax. To meet the administrative expenses, a tax of three cents on each one hundred dollars of assessable property within the district is directed to be levied by the respective boards of county commissioners of the two counties.

To acquire lands or other property, the commission is authorized to issue 20-year bonds to be retired from the proceeds of a seven-cent tax on the district, made mandatory in Montgomery County and optional in Prince Georges County. The bonds are to be guaranteed by the respective counties. Funds raised in each county are required to be expended therein. Governor Ritchie has included an item of $100,000 in the state budget to be used for the acquisition of park lands by the commission. In addition, the commission is empowered to accept appropriations of money or property from the Federal Government, the State of Maryland, the District of Columbia, any political community, or any private person. The commission is also vested with power of condemnation.

Control, maintenance, operation and policing of all land so acquired is to remain in the commission and not to be placed in the Federal Government or any person, corporation, or political community other than the commission without the approval of the Maryland legislature.

Inasmuch as this new suburban district on Maryland soil completely surrounds the landward sides of the District of Columbia, it is believed the authorities will be successful in beautifying Washington's suburbs and the approaches to the capital. It is generally recognized that many cities give visitors a bad first impression because of poorly planned suburbs which must be traversed before the city terminal is reached.

It is earnestly hoped that the creation of the new commission will enable both Maryland and federal authorities to surround the National Capital with ideal suburbs, properly zoned for both beauty and utility, to the end that the approach, whether by railroad or highway, shall be through pleasing surroundings.

ZONING IN MINNESOTA; EMINENT DOMAIN VS. POLICE POWER

BY WILLIAM ANDERSON
University of Minnesota

The development of zoning law in Minnesota is a cross section of the history of zoning in the United States. :: :: :: :: ::

THE zoning of cities in Minnesota, in both its legal and practical aspects, has gone through a normal development which almost epitomizes the history of zoning in the whole United States. In this brief article we shall deal mainly with the development of the law.

Prior to 1913 there had been much interest in park development and municipal art, and in the making of excellent paper plans for the larger cities. There had also been some practical replanning work done, piecemeal and on a small scale, but no developments of any consequence in legislation for either city planning or zoning. In 1913, as a result of certain undesirable encroachments of industries upon residence areas in several of the larger cities, the legislature was induced to enact the first residence district acts. There were two of these acts, of which the first, consisting of a single short paragraph, applied to all cities of the first class, *i.e.*, those of 50,000 or more inhabitants (Minneapolis, St. Paul, and Duluth), whereas the second applied in fact only to Minneapolis.[1] The second of these acts authorized the Minneapolis council by ordinance "in the exercise of the police power" and "upon petition of fifty per cent of the property owners of the district sought to be affected," to "designate residence districts in such cities and prohibit the erection and maintenance of hotels, stores, factories, warehouses, dry-cleaning plants, public garages or stables, or any industrial establishment or business whatsoever, tenement and apartment houses." This provision of the act obviously authorized only piecemeal residential zoning, and did not empower cities to exclude all non-conforming buildings and uses from the district. The act applicable to St. Paul and Duluth contained only this section, with some slight differences. Other sections of the Minneapolis act authorized the classification of industries and the establishment of industrial districts, and the subsequent change by ordinance of a residential to an industrial district, and an industrial to a residential district, but provided that, in case of such change of zoning, "any industry which may have been heretofore established in such district, shall not be disturbed unless the same shall become a public nuisance."

1915 LAW BASED ON POWER OF EMINENT DOMAIN

Minneapolis and St. Paul soon took advantage of these acts, but doubts had already arisen as to their validity. There was grave question whether the police power could support regulations against buildings, industries, and uses of property which were not nuisances *per se*. In the absence of any supreme court decision on the subject, the legislature was induced to pass at the next legislative session another zoning enabling act.[1] This was strictly a residence district act, based upon the power of eminent domain, and it conferred no power to establish industrial or commercial districts. Upon petition of 50 per cent of the owners of real estate in the district sought to be affected, and in conformity with a procedure set forth in the act, the council of any city of the first class was authorized to designate and establish "restricted residence districts" within which buildings and structures for certain stated purposes were thereafter forbidden to be erected, altered, or repaired. The list of proscribed uses was considerably longer than the similar lists in the 1913 acts, but by express provision was not to include "double residences or duplex houses, so-called, schools, churches, or signs advertising for rent or sale the property only on which they are placed." The act further provided that

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[1] Laws 1913, chs. 98, 420.

> The council shall first designate the restricted residence district, and shall have power to acquire by eminent domain the right to exercise the powers granted by this act by proceedings hereinafter defined, and when such proceedings shall have been completed the right to exercise such powers shall be vested in the city.

The act set forth an ordinary procedure for condemnation of property under eminent domain, and provided for the award of damages and the assessment of benefits on the several parcels of land in the district But what was to be taken? Not a right of way or other ordinary form of easement but "the right to exercise the powers granted by this act," namely the powers to establish the restricted district, to pass ordinances to penalize the illegitimate construction, repair, or use of buildings and structures in such districts, and to enjoin such illegal acts or to abate any nuisances in such districts by civil process. "Any building or structure erected, altered, repaired or used in violation of this act or any ordinance passed under it," said the act, "shall be deemed a nuisance and may be abated at the suit of the city" or of any person having an interest in land in the district.[2]

COURT PASSES ON 1913 POLICE POWER ACT

This act was already upon the books and in use when the first litigation under the 1913 police power act reached the state supreme court. The facts in this first case put the city at a considerable disadvantage, for they involved the refusal of the Minneapolis building inspector to grant an owner a permit for wiring a small retail store which he had already begun under a permit previously granted.[3] The building inspector's refusal of the wiring permit was based upon an ordinance passed after the work had been begun, setting aside the district in question as a residence district and forbidding the erection of hotels, stores, factories, and other similar buildings therein. The fact that here was an obvious injustice must have had some weight with the court. Its decision was that the ordinance was invalid "insofar as it prohibits the erection of ordinary store buildings." The reasoning was that a retail store was not a nuisance, that it was not injurious to the public and did not interfere with the lawful use and enjoyment of their own property by others, and that for these reasons the ordinance "invades property rights secured to the owner by both the state and federal constitutions." Two of the five judges dissented with vigor, stressing the deleterious effects of stores in residence districts and the resultant depreciation of property values, and holding that the police power could be used to protect property values in such a case as this, despite the fact that a store was not a nuisance at common law. In the following year a case involving a four-family flat was decided in the same way without a formal opinion.[1] The 1913 act as a whole was not declared unconstitutional, however, but it was limited in its application to clearly established nuisances. Later decisions under the act sustained regulations against cereal mills and undertaking establishments in residence districts.[2]

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[1] Laws 1915, ch. 128.

[2] For later amendments to this act, see laws 1923, ch. 133; laws 1925, ch. 122.

[3] *State ex rel. Lachtman* v. *Houghton* (1916), 134 Minn. 226, 158 N. W. 1017.

EMINENT DOMAIN HELD INAPPLICABLE TO ZONING

In the meantime, cases had also arisen under the eminent domain act of 1915 and various restrictions made thereunder. The leading case of *State ex rel. Twin City Building and Investment Co.* v. *Houghton*[3] involved a refusal of the Minneapolis building inspector to grant a permit for a three-story apartment building in a residence district. In this case the court again divided, three to two, the majority holding that the power of eminent domain could not properly be used as it had been in this case, and that "a condemnation against an apartment house is not for a public use." The act of 1915 was not directly declared invalid, but by way of comment upon this "ingeniously drastic statute" the court said:

> By the condemnation which the statute provides neither the city nor the general public gets a physical use of the condemned premises. They cannot use them in any way. They do not wish to use them in the ordinary sense. They do not want them used for an apartment. They cannot go upon them. The so-called use is negative; it prevents an otherwise lawful use by the owner and in no other way is it a use at all. He still owns the land, and can keep people off it. He may leave it vacant. He may build any kind of a building which he chooses except one forbidden by the statute. A fifty per cent vote, with the approval of the common council, has made it so if it is so. It is not so unless the use is public.
>
> When once the principle is announced, that a residence district may be created by the common council upon a majority vote of the owners and the land condemned against the use of the property for an apartment building, the way is open for the condemnation, upon legislative authorization, of property in exclusive residence districts against a use for substantially any class of dwellings then thought to be not in keeping with community surroundings. It may reach the humble and shabby dwelling, for such a dwelling may be found objectionable as readily as an apartment. And when the humble home is threatened by legislation upon aesthetic grounds, or at the instance of a particular class of citizens who would rid themselves of its presence as not suited in architecture or in other respects to their own more elaborate structures, a step will have been taken inevitably to cause discontent with the government as one controlled by class distinction, rather than in the interests and for the equal protection of all. It is not believed that the public welfare can be promoted by such legislation.

The two dissenting judges were in this case the same as in the Lachtman case, and it was their view that "that which is taken for public welfare is taken for public use," and that "it is about time that courts recognize the aesthetic as a factor in the affairs of life."

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[1] *State ex rel. Roerig* v. *City of Minneapolis* (1917), 136 Minn. 479, 162 N. W. 477. See also *Vorlander* v. *Hokenson* (1920), 145 Minn. 484, 175 N. W. 995.

[2] *State ex rel. Banner Grain Co.* v. *Houghton* (1919), 142 Minn. 28, 170 N. W. 853; *City of St. Paul* v. *Kessler* (1920), 146 Minn. 124, 178 N. W. 171; *State* v. *Armour & Co.* (1922), 153 Minn. 244, 190 N. W. 59. But see *Meyers* v. *Houghton* (1917), 137 Minn. 481, 163 N. W. 754.

[3] (1919, 1920), 144 Minn. 1, 174 N. W. 885, 176 N. W. 159. See also *Restricted Residence District* v. *Scott* (1922), 151 Minn. 115, 186 N. W. 292; and *Dexner* v. *Houghton* (1922), 153 Minn. 284, 190 N. W. 179.

COURT REVERSES FORMER DECISION

A reargument was had, however, and upon reconsideration, one of the three judges constituting the original majority changed his opinion, with the result that the majority became three to two in favor of the constitutionality of the act. The test of public use, said the new majority, is "what constitutes a public use at the time it is sought to exercise the power of eminent domain"; and again, "The constitution is as it was when adopted; but, when it employs terms which change in definition as conditions change, it refers to them in the sense in which they are meant when the protection of the constitution is sought." Furthermore, conditions with respect to the planning of cities had changed; the courts were already recognizing the new needs of cities and favoring extensions both of the police power and the power of condemning property under eminent domain; and in this case the legislature, in the exercise of a reasonable discretion, had determined that the welfare of cities required this new application of the power of eminent domain. Hence, although the public received no direct use of the premises condemned, but only negative restrictions thereon, the majority concluded that such restrictions "constitute a taking for a public purpose."

ZONING PROGRESS IN MINNEAPOLIS

Piecemeal zoning against apartments under eminent domain having been thus finally sustained, the city councils proceeded to authorize little restricted residence districts here and there, making the necessary condemnations, awarding damages, and assessing benefits, with much labor, and withal making very slow progress. Better organization and more power were obvious needs. In 1919 an act was passed authorizing Minneapolis, which up to that time had not adopted a home rule charter, to appoint a city planning commission.[1] In 1921 a comprehensive zoning enabling act for all first-class cities finally became a law.[2] It was based upon the police power and provided "that for the purpose of promoting the public health, safety, order, convenience, prosperity and general welfare" any city of the first-class "acting by and through the governing body of such city, may by ordinance regulate the location, size and use of buildings therein, may make different regulations for different districts thereof, and may acquire or prepare and adopt a comprehensive city plan for such city or any portion thereof," and so on.

POLICE POWER UPHELD

The Minneapolis comprehensive zoning ordinance was adopted after careful preliminary work in 1924. Its provisions were promptly contested by one who was denied a permit to erect a four family flat in a restricted residence district.[3] The usual arguments against the ordinance were made, but in this case one of the judges who had written the opinion against the validity of the first police power act, and had dissented from the final decision upholding the validity of the 1915 eminent domain law, speaking for an unanimous court, wrote an opinion and decision fully sustaining comprehensive zoning under the police power. Characterizing the police power as "in its nature indefinable, and quickly responsive, in the interest of common welfare, to changing conditions," the court went on to point out that the need for protecting

[1] Laws 1919, ch. 292.

[2] Laws 1921, ch. 217.

[3] *State ex rel. Beery* v. *Houghton* (1926), 164 Minn. 146, 204 N. W. 569; affirmed by U. S. Supreme Court in *Beery* v. *Houghton* (1927), 47 S. Ct. Rep. 474, on the authority of *Village of Euclid* v. *Ambler Realty Co.* (1927), 272 U. S., 47 S. Ct. Rep. 114, 71 L. Ed.

residential districts in cities had caused a trend of the judicial authorities in the direction of sustaining police power measures for zoning, and that the policy of such restrictions is to be settled by legislative bodies and not by the courts.

> We hold that a fair zoning ordinance resulting in the exclusion of a four-family flat building from a designated residential district is constitutional. This holding is not in harmony with our earlier decisions.

Since the decision in the Beery case, another matter long in doubt has been cleared up. In 1903 the legislature passed an act authorizing the taking of building line easements under eminent domain. This law was included in the Minneapolis home rule charter in 1920 by reference, while St. Paul already had a similar charter provision. Many building line easements have been acquired under these provisions.[1] The comprehensive zoning ordinance of 1924 accomplished a similar result by authorizing the regulation of the location and arrangement of buildings on lots under police power without compensation. That this may legally be done through the establishment of setback lines was finally settled in a recent decision.[2] This ruling conforms to the more advanced decisions elsewhere, and still further strengthens the comprehensive police power zoning act.

ZONING POWERS CONFINED TO LARGEST CITIES

No further important legal difficulties are now anticipated in zoning matters in Minnesota. Up to this time the legislature has failed to extend zoning powers to smaller cities and villages, but in time this extension will also probably come, and in the meantime a few home rule cities (Columbia Heights, White Bear Lake, Albert Lea, and Rushford) have endowed themselves by charter with planning or zoning powers or both. At present comprehensive zoning ordinances exist in all three of the large cities of the state, and they rest upon the 1921 police power act rather than upon eminent domain. The eminent domain law of 1915 still stands, however, and attempts are sometimes made to bring about minor changes in the existing zoning regulations by procedure under the older law.[3]

Zoning in Minneapolis, St. Paul, and Duluth

	A. Under 1913 Police Power Acts		B. Under 1915 Eminent Domain Act	
	Number of residence districts established	Percentage of city's area affected	Number of residence districts established	Percentage of city's area affected
Minneapolis	148	23%	26	Less than 1%
St. Paul	6	.27 of 1%	7	1.22%
Duluth	9	about ½ of 1%	9	Less than ½ of 1%

C. Under 1921 Comprehensive Police Power Zoning Act. All three cities completely zoned.

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[1] Laws 1903, ch. 194, amended by laws 1919, ch. 504; Minneapolis Charter, 1920, ch. XX, sec. 1; St. Paul Charter, 1913, sec. 234.

[2] *State ex rel. McKusick* v. *Houghton* (May 6, 1927), 213 N. W. 907 (Minn.).

[3] One small district in Minneapolis has been so restricted since the adoption of comprehensive zoning in 1924.

A brief statement of the results obtained under the several zoning laws is now in order, and for this purpose there is submitted herewith a table showing the number and the extent of the districts actually zoned in the three cities.

It is evident from this tabulation that it would have taken a long time to have protected all the residential districts of these cities under the 1913 and 1915 acts. Another defect in these early acts was that, in practice, they left the delimitation of the "district sought to be affected" to the unguided choice of the property owners who initiated the petition. They naturally included what they thought they could include without full knowledge of the needs of the district or of the city as a whole. In practice, and to some extent in law, these acts could be used effectually only to establish residence districts. Other sections of the city practically went without zoning protection.

The eminent domain act was open to additional objections. The expense of condemnation and assessment proceedings in each case was an appreciable item, and would have made it well-nigh prohibitive to have zoned the entire city at one time by this method. Naturally there was always a certain amount of guesswork and uncertainty in the damages awarded and the assessments levied. It was said, also, that the act lent itself to a sort of extortion; for the owner of a vacant lot of appropriate size in a good residential district had only to announce his intention to erect a store or apartment house thereon to induce neighboring residents to circulate a petition for a restriction with the result that he received damages at their expense. Whether anyone profited unjustly in this way would be hard to prove. A final objection to the eminent domain procedure was the cast-iron rigidity of the resulting restriction. The entire public gained a sort of restrictive easement upon the land in question, which it was almost impossible to change since each owner who had paid assessments to obtain the restriction had a right of action to enforce it. Even those who worked out the comprehensive zoning ordinances of later date had to accept these restrictions acquired by condemnation as settled, even where they did not fully conform to the comprehensive plan.

Each lot in the district affected was thus subjected to a restriction which could be wiped out only as it had been created. The original act provided no means for removing restrictions thus created, but in 1923 an act was passed to permit the council, again on petition of 50 per cent of the owners of real estate in the entire district, to remove restrictions by a reversal of the procedure by which they were created.[1] No use has yet been made of the authority conferred by this act, and it is likely that a simpler and more clearly defined procedure, such as was proposed in a bill in the 1927 session of the legislature, will be necessary to produce the desired ease and flexibility of change.

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[1] Laws 1923, ch. 133.

INDIANAPOLIS AT LAST TRIES THE MERIT SYSTEM

BY JOHN F. WHITE

Joint Chairman, Indianapolis Civil Service Commission

After thirty-five years of failure to observe the civil service system prescribed by the charter, Indianapolis organizes two civil service commissions, one for police and one for fire. :: :: :: :: ::

INDIANAPOLIS has been operating under the federal form of municipal government since 1891. The original charter provided quite definitely for the various departments, outlining detailed duties and responsibilities, but provisions covering methods of employment were meagre.

The only reference to civil service rules occurs under sections defining duties of the mayor, wherein it is prescribed that at least once a month he shall call together heads of the executive departments—known as the cabinet—for consultation and advice upon the affairs of the city. At such meetings rules and regulations are to be adopted for the administration of the city departments, a clause providing:

> . . . rules and regulations shall be adopted at such meetings which shall provide a common and systematic method of ascertaining the comparative fitness of applicants for office, position and promotion, and of selecting, appointing and promoting those found to be best fitted.

The first administration under this charter ignored the civil service stipulations. The following administration made a sincere effort to apply these provisions as a mandatory part of the city charter. The results were for the most part satisfactory, and particularly gratifying in the police and fire divisions, though party politicians were unfriendly. This régime, however, lasted only two years. The next administration ignored all civil service regulations on a competitive basis, as have all succeeding administrations, both Republican and Democratic, up to 1926. The political spoils system prevailed undisguised and unashamed during all that time in open violation of the terms of the charter law.

This disregard of the law, however, has not occurred without protest by a considerable body of public opinion, growing stronger with the constantly recurring political scandals and the breakdown of effective administration of municipal business, usually traceable to the spoils system. In the campaign of 1925 the civic affairs committee of the Indianapolis Chamber of Commerce, supported by other civic organizations, secured pledges from the mayoralty candidates to reëstablish civil service rules for city employment. Particular stress was given the need of such methods in the police and fire divisions.

LONG DELAY ENDS—A DUAL COMMISSION

In keeping with this understanding the present mayor, John L. Duvall (Republican), upon coming into office in January, 1926, after some delay in the general adjustment of his administration, proceeded to organize a civil service commission, but under his present conception of the law it was made to apply only to the police and fire forces. With these two forces in mind the mayor appointed a commission of three persons for each. One member of each commission is the chief of the department in which appointments are to be made. The other two members were selected outside the administration and are of opposite political party affiliation.

The two commissions, acting in conjunction with a special committee from the mayor's cabinet, were instructed to prepare the necessary rules and regulations to govern a competitive merit system of employment and promotion for the police and fire forces. The draft submitted by this joint committee was approved by the mayor's cabinet without change, and the commissions were officially ordered to proceed thereunder as an organic part of the department of public safety, which department is to make the appointments from eligible lists set up by the civil service commissions.

These rules follow the best procedure obtainable and contain features believed to be in advance of those usually prevailing in other cities. In their construction, and in organizing for the work, the commissions were given a free hand and the cordial coöperation of administration officials to establish a civil service department that would function in the most efficient manner possible and in accordance with the best judgment of the members of the commissions.

In beginning their work the two commissions, finding that many of the duties and stipulations were interlocking and general in character, organized themselves into a joint commission for the purpose of setting up the methods of examination, appointment and promotion in the two forces for which there was a common basis, each commission then to assume the special duty of holding the competitive examinations for appointment and promotion in its particular division.

Naturally the question will arise, whether the creation of two commissions was advisable under such circumstances. There is probably merit in such criticism, but, under the commissions' present form of organization, difficulties seem rather remote, though always, it is to be admitted, a concentration of authority and responsibility makes for more effective action and economy in time.

BROAD CONTROL OVER APPOINTMENTS

The Indianapolis civil service rules have one unusual feature. While the mental, physical and medical examinations follow the ordinary procedure, with the eligible lists made up in the standard way, the general rule of certifying three, or even two, names for appointment is abandoned, and the appointing power is required to select the one name standing at the head of the list, and the list is exhausted in the order of its percentage standing. This rule precludes any kind of favoritism and relieves the appointing officials of the outside pressure which so inevitably follows the discretion of choosing one from a group of names. The special appeal of this rule, however, is that it puts the applicant on a plane of equality of opportunity—he wins by his own merit so far as it is possible to determine by examination. If the experience of the probationary period of appointment (six months) shows defects which the examination did not disclose then he also eliminates himself by his own acts, or makes himself subject to elimination.

In promotions, however, the Indianapolis rules follow the usual procedure of certifying three names to the appointing authorities, on the theory that some range of judgment should be left to appointing officers, as to fitness, in consideration of certain traits of character, temperament or leadership. This theory might be questioned as not altogether sound, since appointment under such rule may be subject to the same charge of favoritism or undue pressure from the outside as would occur if original appointments were made in this way.

The rules provide that all promotions shall be made from the lower grades to the next higher ones, up to and including the chief of each service. This latter office in many civil service situations has been left as a perquisite for the mayor, a policy tending to discredit any merit system of promotion and to destroy ambition to render the highest grade of service.

BIPARTISAN DIVISION OF APPOINTMENTS MANDATORY

A serious defect in the Indianapolis charter law requires a bipartisan organization of the police and fire forces, dividing appointments equally between the two dominant political parties, this method being also carried to the official list. It is an essentially vicious provision and is a serious handicap to securing the best results under civil service rules.

The effort to establish a merit system for the selection of policemen and firemen in Indianapolis, after the many years of default in the face of a mandatory law, while meeting with general approval is being looked upon with no little degree of skepticism. The commission is therefore facing the rather difficult task of putting over its initial accomplishment in a way that will dispel suspicion and establish confidence, though it can hardly hope to avoid criticism and opposition. Partisan politics will probably continue to yearn for its flesh pots. The hope of the friends of this system is that it can be made to function so effectively, to be made so thoroughly helpful, that public opinion will not only demand its continuance but will compel an enlargement of its scope to the general list of municipal employees.

As the work of the commission proceeded it was threatened with various obstacles—its legality was questioned, subterfuge efforts were made to secure preferential appointments and pleas for reinstatement preference were numerous. Persistent political and personal effort to get preference for applicants regardless of standards and rules was present from the beginning. This was not unexpected yet it constitutes some of the difficulties of establishing and maintaining the system.

STANDARDS FOR IMPROVED HOUSING LAWS

BY GEORGE B. FORD

Vice-President, Technical Advisory Corporation, New York

A summary statement of modern housing requirements in various types of residence buildings which are offered as standards for improving housing laws. :: :: :: :: :: :: ::

THE Tenement House Laws of New York, and in fact of most other states, need fundamental rewriting. New living habits and health standards, new methods of construction and zoning, all render the tenement laws inconsistent and inadequate. Furthermore, experience is constantly showing that undesirable living conditions can exist in one or two-family or row houses as well as in tenements. It is also apparent that bad housing is not confined to the larger cities. As a matter of fact, it is often found in the smallest communities. Therefore, it is only logical, and it is certainly most desirable, to extend the protection of a tenement house law to prevent or remedy housing abuses of every sort, and to cover cities, villages and towns of every size.

GENERAL REQUIREMENTS OF HOUSING LAWS

The low height, yard, court and room standards that are economically necessary for the most congested parts of large cities obviously are of little value in less dense blocks where land is cheaper. It is conceivable that the principle of standards varying with local conditions, which has been applied so successfully in zoning, could also be incorporated in a housing law. Requirements for light, air, privacy and fire protection that are desirable and practicable in an open type of housing could be decreased with increasing density of population per block frontage, but no more than economically necessary.

APARTMENT HOUSES MORE POPULAR THAN ONE FAMILY HOUSES

The most basic and far-reaching service that a housing law can render is to assure to every living or sleeping room minimum standards of sunlight, fresh air, privacy and safety from fire or theft. These are equally desirable in all kinds of housing. As a place to live and sleep in, all agree that the detached one-family house, with broad open planted spaces all about it, is the ideal. However, unquestionably hundreds of thousands, if not millions, of people vastly prefer to live in the larger city because of the unique opportunities which it presents for social or intellectual contacts and enjoyment. As long as human nature remains what it is, it is bound to demand what today the large centralized city alone can give. Centralization inevitably means apartments and tenements, or at least row or group houses with few, if any, side yards. Statistics show that a constantly increasing proportion of people in all kinds of communities prefers to live in apartments. They do this because they want to be just so much nearer to their work, their leisure-time activities, and their friends, and because they are normally saved the incessant irritating bother that ordinary house management involves, especially with the constant decrease in adequate domestic service.

However, fully three-quarters of the population is in families with children under age. The great question is whether such children can be brought up healthily and sanely in the city tenement. The answer is probably "No." This is despite the fact that the remarkably expert municipal safety health and welfare departments go far toward counteracting the disadvantages of tenement life. While it probably must be admitted that even the apartment house of the better present type is not as good for the child as the single family house set in the midst of its own grounds, nevertheless, it is confidently believed that this difference can be largely overcome by ingeniously worked-out improvements in the layout of the multiple family house and its surroundings. Great progress has been made during the last few years toward improving the design of the tenement and the apartment house, but it is believed that we will have to go far beyond anything yet done before the tenement can compare favorably with the isolated single family house in its effect on the young child.

FUNDAMENTAL HOUSING REQUIREMENTS FOR THE HOME

To solve this most urgent problem, we must analyze it. A first step would be to list the physical needs of the home. These needs may be summarized as follows:

1. The greatest possible amount of sunlight and light in every room, especially in winter.
2. Ample circulation of air and cross-ventilation, especially in summer.
3. Ample fire and burglary protection and structural safety.
4. Complete family privacy and opportunity for individual privacy.
5. Healthful, convenient, attractive and economical interior planning.
6. Available summer shade and means of cooling and freshening the air.
7. Attractive, open outlook from all windows.
8. Mitigation of smoke, dust, noise, vibration and smells.
9. Ample near-by outdoor recreation space.
10. Ample but not extravagant circulation and parking space in streets.

HOUSING REQUIREMENTS IN ALL RESIDENCE BUILDINGS

A careful study of these essentials suggests certain more specific desirables which should apply to all types of residence buildings:

1. Any living room less than 12 feet wide or that contains less than 150 square feet, and any sleeping room less than 8 feet wide or that contains less than 100 square feet, feels cramped and oppressive unless it has two or more windows on its long side.

2. In principle no residence building should be more than two rooms through. That is to say, there should be no dark third or fourth interior room.

3. Windows should be as large as it is practicable to make them consistent with economical heating, and they should extend just as near to the ceiling as a proper allowance for construction and curtain rods will permit. The net area of exterior openings should be at least one-fourth of the floor area.

4. There should be the largest possible amount of clear open space outside each window for sunlight, light, air, privacy and fire protection. A clear, unobstructed angle upward of 45 degrees from every sill is a desirable minimum.

5. Side yard or court walls should be light enough in tone to reflect light rays down into opposite windows.

6. Cornices or eaves should not project into side yards or courts so as to reduce appreciably the effective width of the open space. One-third of a side yard or one-sixth of a court is a maximum.

7. The higher the buildings, the less they should cut off each other's light and air, in other words, the farther apart they should be on every side where there are windows. The stepping back principle, familiar in zoning, provides the maximum amount of light and air in proportion

to the bulk of the building. Mere bulk limitation is utterly ineffective in assuring proper light and air.

8. Deciduous trees undoubtedly freshen and cool the air in summer as well as give shade. They also tend to lessen the smoke, dust and noise and vastly to improve the outlook.

9. Awnings or shutters on windows not protected by trees unquestionably make rooms cooler in summer, keep out a certain amount of dust, and aid privacy.

10. A broad piazza, even recessed, which can be enclosed in winter with glass, preferably ultra-violet, and used as a sun room, is highly desirable both from the standpoint of the child and the adult; provided it can be so designed as not to shut off light and fresh air from the interior of the house.

11. Fireproof or slow-burning covering for roofs, and even for exterior walls, costs little more in the long run than ordinary construction, and it considerably decreases the exposure to fire risk and should reduce the cost of heating.

12. Complete, independent sanitary equipment for each family, all labor-saving devices consistent with economy of construction and maintenance, and efficient equipment for artificial heat and light should all be given due consideration.

13. Just as far as it is possible to do so, garages should be combined at the ends of blocks, where they will do the least harm to residence; or put in separate blocks; or, better still, relegated to near-by business districts instead of being peppered uniformly over the whole interior of the block. Even a garage under the house, with proper control of objectionable noise and smell and of fire, gas and exit dangers, is by far preferable to the private garage in the rear of a small lot.

14. If ample individual yards are uneconomic, a certain amount of space in the interior of most residence blocks could well be combined in a unit parcel for common use and enjoyment, including a common play yard for children under school age.

15. It is most important for every type of residence that outdoor recreational space should be provided for the small child adjacent to the house, and larger play space for children of grammar school age should be provided in the neighborhood.

16. In order to cut down the frequent present waste in residential street improvement, no street or sidewalk pavement except on thoroughfares should be made any wider than actually necessary to carry the purely local traffic, present and future. A 27-foot road pavement (24 feet absolute minimum) is ample for most local streets and even an 18-foot roadway (16 feet minimum) can be used on little-travelled streets. Five feet is wide enough for almost any local sidewalk with a minimum of three and one-half feet where travel is light.

HOUSING STANDARDS FOR DETACHED BUILDINGS

With these needs and desirables in mind, it might be interesting to consider each general type of residence to see what further suggestions for improvement may develop. First, consider detached residential buildings or semi-detached or double houses with open yard space all around them:

1. Illogically most such buildings have a fair amount of open space in front, less in the rear, and little on the sides. This is the natural result of the narrow lot evil of most older communities; but it leads to the anomaly of plenty of light, air and privacy in front, and not nearly enough on the other three sides of the building. Whatever can be done within reason to equalize more nearly these open spaces is bound to improve considerably the livableness of the home. This means a wider lot; at least 50 and preferably 60 feet wide, with at least 16 feet and preferably 20 feet or more of clear open space between main side walls. Ground story bays might project three feet and open porches five feet into such side yards. The rear yard can well be enlarged at the expense of the front yard, provided the latter is kept deep enough for reasonable protection against prying eyes and the noise, heat and dust of the street. Eighty feet clear between the rears of houses is desirable; but in no case should this open space be less than 50 feet, except for a ground story ell or porch projecting not more than 12 feet into the rear yard. Eighty feet minimum clearance between opposite fronts of houses across a 50-foot street would give a 15-foot minimum front yard—just enough for trees and shrubs, although a greater depth is preferable if the rear yard can be kept of adequate depth.

2. In order to make streets safer, cleaner and quieter, by discouraging through traffic, and in

order to cut down improvement costs, the properly designed dead-end street, which has become popular in Europe, should be encouraged here. It should not be over 500 feet long with ample front yards, and should have a roadway turning space of at least 25 feet radius at the dead end.

STANDARDS FOR ROW HOUSES

Houses built in rows of the Philadelphia type, only two stories high and two rooms deep, are unquestionably preferable to the three-room-deep isolated houses, separated by narrow slits of side yards, found by the thousands around New York.

In general the needs of row housing between party walls, in addition to those of the isolated house, are as follows:

1. Row houses or, better, group houses should be used only where land values make uneconomic the detached house with adequate side yards or even the semi-detached house.
2. Row housing or, preferably, group housing should be broken at each fourth house or at least at every sixth or eighth house to provide for proper circulation of air and for effective fire fighting. The open break should be at least 20 feet wide.
3. A row or group house rear ell should be against one-party wall and as narrow as possible so as to bring a wide open space (at least eight feet wide for each story of height of the ell) up to the main rear wall of the house.
4. If there is no rear alley, there should be a fireproof passageway, at least three by seven feet in clear, through the house from the street to the rear yard, for service and fire exit.
5. Monotony should be avoided by encouraging variety in setbacks, roof lines and grouping.

ADDITIONAL STANDARDS FOR APARTMENT HOUSES

The multi-family house, that is the tenement or apartment house, would naturally tend to locate nearer the center of the city, near rapid transit and railroad stations, and along trolley or bus streets, thus concentrating them where the greatest number of people can walk the shortest distance from their homes to their places of work or to leisure time activity. It will be found that most of the considerations enumerated above for separate houses and for row houses apply also to tenement or apartment houses; but in addition the following are well worth considering:

1. Mathematical studies indicate clearly that the only way in which one can be sure of having sunlight in every room, even on the shortest day in winter, is to make the tenement house only two rooms deep from outside wall to outside wall and to make most of the windows face in a general easterly or westerly direction. Calculations will show for any given orientation and for any given height of buildings just how far apart they must be in order to provide one hour of sunlight in every window, even on December twentieth. This principle permits of an infinite variety of layouts. However, for real efficacy it implies plottage developments of an acre or more.
2. The height of the tenements and apartments is limited by the height at which the fire department can effectively fight a fire from the street, and the number of stories that children or the infirm can safely walk down under panic conditions. Under normal conditions this would limit height to five or, at most six stories, although fireproof construction, fire towers and adequate elevators would make increased height practicable. In any case non-elevator apartments should not be over four stories high or, at most five stories high even in Manhattan.
3. At least two independent, fireproof and relatively smokeproof means of exit should be provided from each apartment or plot above the second story to the street.
4. All stairhalls and corridors should be capable of outside and preferably cross-ventilation and adequate daylight lighting.
5. In principle every living or sleeping room window should be as far from any opposite wall as that wall is high above the sill of the window. This standard should at least be approximated in rear yards where it would mean five feet of depth for each story of height, provided the neighbor back to back is obliged to do the same. Logically this would mean ten feet of court width for each story of height. This could be cut in halves along a party line where a neighbor would permanently agree to do the same. A concession

might also be made of one inch for each foot by which a lot was less than 100 feet wide at the time of passage of the housing law. Bulk limitation alone will not assure any such minimum open space opposite each window.

6. Every tenement or apartment suite should have either an open terrace or a recessed porch, at least five by seven feet, and preferably much larger, freely open to the sunlight and air. This could serve as a play space for small children, especially where there is no easy access to a local kindergarten playground.

7. All drying of clothes should be concentrated where it will be least objectionable and serve least to clutter up the interior of the block. The roof is preferable to the yards for drying, as it can be kept cleaner and less unsightly.

8. Consistent with good zoning there is little valid objection to quiet, clean and orderly neighborhood stores, or even certain small ground-story workshops without power in the tenement or apartment houses, provided they are not apparent except from the street, do not display goods out of doors, have separate entrances, and are fireproofed.

9. Trees and grass should be insisted upon, not only along all residence streets but in the interiors of all residence blocks.

THE HOME OF THE FUTURE

In general the home of the future, of whatever type, should provide for sunlight, air and good outlook at every window. It should give a privacy for family life that is distinctly lacking today. It should provide better protection against fire, theft and poor construction. There is nothing impractical about this ideal for the home of the future. Most of it is applicable today even in our biggest cities.

However, experience is showing that if each dwelling or tenement must be erected independently on its own small 25- or 50-foot lot, it is rarely possible to secure adequate open spaces. It is rather a matter of compromise with economic conditions so as to permit the erection of a practicable building on the lot. Where an acreage tract or even a single whole block or possibly a good part of the block can be laid out and developed as a unit, it is quite feasible to provide effective open spaces properly disposed in relation to the height of each part of the building. If some sunlight in every room every day is worth striving for, obviously no rooms must face north, or within 45 degrees of it. Calculations show that the more nearly a building, not over two rooms deep, faces east and west, the more likely it is to satisfy these sunlight requirements. Furthermore, it is possible to calculate just how high and how far away an opposite or adjacent wall should be, not to cut off the sun. Large plottage development also permits the provision of effectively distributed common open spaces where trees and grass can be planted and where play spaces and garages can be properly located. It is conceivable that a housing law could encourage such ideal plottage housing by allowing special concessions in other ways, provided the layout and open spaces conform to these desirable standards.

In any case it is of the utmost importance that the housing law should not be too specific and too exclusive, but should be as broad and mobile as possible so as to permit and encourage the vitally needed improvement in housing. It should be framed to avoid that monotony and crudeness which is so depressing whether seen from the house, the street or from the air. It should give free play to the architect's imagination, and encourage progress and new ideas in the art and science of housing and yet at the same time assure the resident a reasonable minimum standard of sunlight, air, privacy and safety.

ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

VII. EXPENDITURES FOR POLICE SERVICE

BY LEONARD V. HARRISON

The purchasing power of the tax dollar spent for police service is largely determined by personnel selection and management. :: ::

Examine the current police service budget of any fair-sized city in the United States and you will find that the taxpayers are furnishing more money per inhabitant and per taxpayer than ever before. Consult a few of these taxpayers in an endeavor to get an opinion as to whether or not the police service they are receiving represents a good dollar's worth for each dollar expended and you will get diverse views generally colored, however, by the notion that there is a good deal more the police could do if they only would. These views are frequently conditioned on a fairly small sampling of "personal knowledge" of laxity, wrongdoing or slothfulness of individual members of the police department that is being appraised. Some persons approach an appraisal of police costs only in the light of the general tax load. If these critics are impressed with the burden feature of local taxation, it may be assumed, they think, that too much is being spent for police as for all other branches of municipal service. A few well-timed, spectacular and neighborly crimes sometimes work wonders in bringing the amateur and professional tax slicers to soft spoken criticism of police expenditure. When courage returns, however, only hard necessities are allowed to escape bitter challenge.

NO RELIABLE MEASURING STICKS

In point of fact no one is in a position to employ convincing and reliable measuring sticks in sizing up the worth of police service in relation to its cost in a given city. This handicap in evaluating police service applies to the taxpayer in the street and to the specialist in municipal administration as well. Reliable criteria for consideration of the deficiency, adequacy or abundance of police service provided for the attack on the problem of crime and promotion of public safety in our cities have not been established and seldom discussed. Here the attempt will be made to emphasize the most important considerations which may become the basis for developing criteria useful in determining when and where we are getting our money's worth for police service.

PER CAPITA POLICE COSTS FOR 1925

Except for the tabulation of per capita police costs given below, this discussion will be carried on without benefit of statistics. It is not intended to imply that the statistical method is unsatisfactory when it comes to evaluating police costs and police services. The familiar statistics of number of arrests, number of fires reported, lost children restored, square miles policed, linear miles patrolled, duty calls made, number of police and fanciful estimates of population are not sufficiently revealing. More illuminating data generally are not furnished. The latest annual publication of *Financial Statistics of Cities Having a Population of Over 30,000* prepared by the Bureau of the Census of the Department of Commerce is for the year 1925. The per capita cost of municipal police services in 1925 are shown, in part, as follows:

Per capita costs for police service

Population of Cities	
500,000 and over	$5.13
300,000 to 500,000	3.95
100,000 to 300,000	2.81
50,000 to 100,000	2.54
30,000 to 50,000	2.15

The per capita police costs of each of the twenty-three largest cities in the United States in 1925 was as follows:

	Per capita police cost
Cities of over 500,000 population	
New York	$5.67
Chicago	4.89
Philadelphia	5.05
Detroit	5.28
Cleveland	3.41
St. Louis	5.14
Baltimore	4.31
Boston	5.96
Los Angeles	(Not computed)
Pittsburgh	3.57
San Francisco	4.62
Buffalo	4.49
Cities of 300,000 to 500,000 population	
Milwaukee	3.43
Washington	4.96
Newark	5.84
Minneapolis	2.65
New Orleans	2.64
Cincinnati	2.41
Kansas City, Mo.	3.38
Seattle	(Not computed)
Indianapolis	3.08
Rochester	3.41
Jersey City	8.44

These figures in themselves shed but little light in any inquiry as to what cities of the above list spent too much or too little for police service.

Two facts stand out in the above table. We observe the steady and comparatively even increases in per capita costs in ascending from the lower to the next higher population group. The larger the city, the more complex and difficult is the problem of policing. Property risks are proportionately greater, relatively larger numbers of outside floaters who are living by their wits seek the possible obscurity of dwelling in the large city. A complex police organization must take the place of the simple groupings of police under a few commands in the smaller places and so on. Secondly, we are struck by the range in costs shown for individual cities of nearly equal population within the same population group.

These per capita figures show clearly that some cities pay considerably more than others for police protection. Does it follow that the high cost cities are paying too much and the low cost cities too little? Did St. Louisians in 1925 get better policing for $5.14 each than Clevelanders for $3.41? The problem of policing in Minneapolis is quite different in many respects from the problem in New Orleans. Does the difference of a penny per capita for 1925 indicate that the quantity and quality of policing in the two cities is on a par? The answer cannot be found in these comparisons. One city may be more difficult to police and may therefore cost more. By spending more it may be better policed; or, again, the added cost may represent waste with no gain in quality.

SALARY SCHEDULES INFLUENCE PER CAPITA COSTS

A change in police salary schedules can make swift changes in the relative standing of cities as regards their police costs. Unless there is a definite marking up of personal qualification standards attendant upon an increase in salary rates, only a negligible change in police results may ensue. An aggravated local traffic problem in one city may contribute disproportionately to the police costs of that city. A city lying contiguous to large metropolitan population outside of its boundaries has an added burden. Racial factors in population make-up are important. To ensnare these varieties of police problems in a formula is a task beyond the ordinary powers of fair-minded critics of police administration and its cost.

Without undertaking the futile task of establishing a mathematical method of rating the excess or deficiency of police expenditures in any one city, we may, nevertheless, elaborate certain considerations which will be useful in making appraisals. By far the greatest item of police expenditure is that of salaries. The police budget swells periodically by reason of heightened salary schedules or by increased quotas of men, or both. And nearly always police executives are pleading for a larger number of men than the budgets actually allow. Salary costs are in such high proportion to total police costs that we may, in reasonable confidence, assume that if we are getting our money's worth in return for police salaries we can justify total police expenditures. A proposal to add one hundred men in a year to a police force of a moderate-sized city is not unusual. If, as is too often the case, police executives are proposing to meet their crime problems by mere weight in numbers of men without particular reference to the special qualifications of men needed to seek out opportunities for prevention of crime at its source and without regard for capacities to do more than swing a club, pull a signal box and wait for a disturbance to cross their paths between boxes, we may say that the possibility of getting full returns on the expenditure proposed can be seriously questioned.

IMPORTANCE OF PERSONNEL MANAGEMENT

The business of policing is in many respects largely a task of personnel management. It is not necessary to labor this point. A considerable body of men, working singly for the most part and exercising their individual resources in observation, investigation and judgment, makes up police work. Initiative, zeal, self-control, sound judgment, courage and intelligence are personal assets demanded in productive police work. Qualities of personality, intelligence and professional interest comprise the department's most important resource. It seems clear that a city which is making good progress in developing the technique of selecting men according to the special personal qualifications required in police work and similarly in the standards of police training schools is not wasting money when quotas are enlarged. Perhaps it can be stated more effectively by saying that a city which tolerates without question low minimum standards for entrance to fill all of the specialized services of the police department is likely to spend too much in any case for the police protection it receives. Small patrol beats and large platoons of uninspired and mentally mediocre watchmen to compensate for alertness and professional-like enthusiasm for police work on the part of a smaller number is expensive. Here the police executive will say that limitations of prevailing salaries determine the quality of men that can be attracted. True enough. But the facilities for improved methods of selection should precede upward revisions in salaries and proposed additions in quotas.

CRIME RECORDS ARE ESSENTIAL

Again the city which is not continuously informed in the fullest possible way as to the nature and extent of crime and delinquencies occurring from day to day, stands a good chance of spending too much for its established level of police service. A sensitive and complete record system is obviously essential to the most productive assignment and use of a police department's personnel resources. The element of surprise attack with easily mobilized and fluid forces of a department is of the greatest importance for nipping in the bud situations which lead to crime. Improved systems of recording crime and delinquency complaints properly analyzed as to time, place and manner of commission, if considered at all intelligently, will stimulate commanding officers to devise effective methods of organization and assignment. Even though no such alterations in organization and methods are conceived as a by-product, precise information, furnished by an adequate record system, as to what crimes are outcropping and where, remains essential. The degree of excellence in police record systems varies widely from city to city. Marked progress has been made in recent years by a few cities in the recording and analysis of crime data. The opinion is ventured here that the quality of police records in a given city may be taken as a trustworthy index, though not the only one, in determining how wisely police appropriations are expended.

The city that is policing in the rut of departmental tradition, adding new traffic and patrol posts from time to time as population increases with little or no experimentation or knowledge of the results of fruitful experimentation in other cities; the city that is always engaged in catching up with the crimes and disorders which occur in spite of the daily rounds of watching; the city that is weak in planning its crime preventive activities and in searching out the causes and origins in crime and not alone the actual occurrences, if well financed (as comparison with other cities go), is likely to be spending too much for what it gets in police service. If, on the other hand, the police officials of a city are ready and anxious to adopt the method of research in the problems at hand and experimentation in methods for attacking the problems, but are prevented by reason of inadequate funds, then that city is very likely spending too little for police service.

MEN THE FIRST ESSENTIAL

Nothing has been said about material facilities such as station houses, motor equipment, recall signal system, mechanical devices for transmission of orders, scientific apparatus for use in solution of cases, etc. These are valuable and should be provided generously. But expensive tools will not win the day in battling crime. It will take *men*. More men of the type of the splendid minority who are now working with good effect. Many commanding officers have been heard to say, "Give me three or four like patrolman ——— or sergeant ——— and I'll do as much as with ten or a dozen drones who are interested only in their box calls and their pay checks." Here will lie the answer as to whether we must spend more for adequate police service. What is the proportion? Are four good men as valuable as six of the common run, or seven or eight or more? Does anyone know? Do police executives ever calculate how much of their crowded time is devoted to keeping the drones on their feet and how little is given to providing leadership for the men who really count?

It is the part of a prophet to say what it will cost to hire the good men that are required when we shall have eliminated the drones or put them at a drone's work for a drone's pay. Meanwhile, splendid progress goes on in American police administration. Some good standards have been set by a few cities to which many other cities may aspire. As more departments are freed from political repression, we may expect a levelling up to the better standards.

THE INITIATIVE AND THE REFERENDUM IN 1925 AND 1926

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A review of the use and the results of I. and R. in 1925 and 1926, with tables of votes on measures. : : : : : : : : : : : : :

During the year 1926 the voters in thirty-six of the forty-eight states passed judgment at the ballot box upon 194 measures, of which 137 were proposals of constitutional amendment. These numbers may be compared with totals of 234, 174, and 214 for the years 1924, 1922, and 1920, respectively, of which 186, 92, and 160 were proposals of constitutional amendment. In 1920 amendments were voted upon in thirty-two states; in 1922 in twenty-three states; in 1924 in thirty-one states; and in 1926 in thirty-two states.

In 1920, measures passed by legislatures and referred to popular vote by petition numbered sixteen in eleven states; the corresponding figures for the three later years were thirty-two in seven states, fourteen in six states, and eleven in seven states. Forty-three proposals were initiated by petition in eleven states in 1920; the corresponding figures for the later years were forty-two and twelve, twenty-six and ten, and thirty-six and twelve. The variation in these numbers seems to be entirely without significance.

NEGATIVE ATTITUDE EXCEPT ON CONSTITUTIONAL AMENDMENTS

Of the 194 proposals voted upon last year, 116 were approved and 78 rejected; of the 147 propositions submitted by legislatures, of which 126 were constitutional amendments, 101 were accepted and only 46 disapproved. In only eleven instances in states employing the referendum was any group of voters sufficiently dissatisfied with the legislative product to petition for a chance to reject it, and in seven of these instances the popular vote bore out the petitioners' hopes. This ratio, however, is not as favorable to the petitioners as usual, for in 1924 only two of the fourteen referred measures survived, and in 1922 only nine of thirty-eight, although in 1920 seven of the sixteen subjected to the gauntlet ran it successfully.

Last year Arizona voters turned down a measure generally regulative of stock quarantine, slaughter, and sale of meat; in California a proposed tax of two cents a pound on "oleo" was rejected; in Oklahoma the people prevented the repeal of the labelling of convict-made goods and of the free textbook law. In Oregon a covering of 10 per cent of the fee receipts of most state boards into the general treasury fund was defeated as well as an excise tax upon tobacco; in South Dakota the voters opposed a change in the personnel handling the depositors' guarantee fund. In only seven of the twenty referendum states was any measure "referendumed." This, of course, does not necessarily indicate fully the deterrent influence of the "gun behind the door" upon the legislators.

The voters rejected more than twice as many initiative proposals, including constitutional amendments, as they accepted, the "anti" votes being twenty-five and the "pro" votes eleven. In 1924 the figures were twenty and six; in 1922, twenty-eight and seven (disregarding seven Oregon propositions for which the returns were not printed in the REVIEW); and in 1920, twenty-six and sixteen.

The eleven successful proposals will be briefly described. Some were constitutional amendments. Thus Arkansas forbade the legislature to pass any special or local law, and authorized cities of the first and second classes to incur debts for certain terms by means of serial bonds. In the same manner California abjured the legislature to reapportion the state assembly and senatorial districts after each federal census according to a definite plan and created a reapportionment commission to act if the legislature should fail. The voters of Illinois desired Congress to permit the states to regulate the use of alcoholic beverages not in fact intoxicating.

The legislature of Missouri was authorized to empower cities to establish pension systems for police officers. Montana voters repealed the state prohibition enforcement act and raised the "gas" tax from two to three cents. The citizen lawmakers in North Dakota levied a two-cent "gas" tax upon themselves. A scheme for testing in advance the legality of any tax levy was adopted in Oklahoma only to have the supreme court hold the plan unconstitutional. Salmon fishing was strictly regulated by an initiated measure approved by the electors of Oregon.

It will be noticed that the average number of propositions voted upon per state was five and one-half, both in the states employing the initiative and referendum and in the others which permit popular votes only on constitutional measures. In six states only one question was subjected to popular scrutiny, in nine states two, and in five states three. Thus twenty states averaged about one and one-half measures each. The other sixteen averaged ten measures each, the four highest being California, South Carolina, Oregon and Louisiana with twenty-eight, twenty-eight, nineteen and fourteen, respectively. Two of these four states use the I. and R. and two do not. Among the electorates to whom four or more propositions were submitted, there was only a fair degree of wholesale approval or rejection; to be exact, in six out of sixteen such cases.

VOTE ON MEASURES COMMONLY LIGHT

Of the 116 measures approved, only nineteen received over 50 per cent of the vote cast for officers at the same election. The propositions which were approved by the smallest percentages of the total vote cast were generally constitutional amendments submitted by the legislature. North Carolina adopted an amendment by the affirmative vote of 13 per cent of the total election vote and South Carolina approved twenty-seven of the twenty-eight propositions appearing on the ballot by percentages ranging from 17 to 20. Texas voters equalling 30 to 34 per cent of the total were sufficient to write four proposals of amendment into the constitution. California voters approved two uninteresting amendments by a 32 per cent vote.

Turning to an examination of the degree of interest manifested in law- or constitution-making as indicated by the vote, one finds that in Idaho, Indiana, Maryland, North Carolina, South Carolina, New Mexico, Florida (one measure), and Texas (one measure), the total vote for and against propositions fell below half of the highest vote for officials. The Carolinas hold low place here, with 20 and 33 per cent participation. Upon a series of bond issue proposals, the participation of Rhode Island voters ranged from 31 to 40 per cent of the vote for candidates and all were accepted by affirmative votes of 21 to 35 per cent of the total.

The lowest participation upon an initiated measure reached 61 per cent of the total vote (in Arizona), and the lowest affirmative percentages for successful measures were 36 in California, 43 in North Dakota, and 44 in Oregon and Arkansas. First honors for the greatest interest in a proposition go to Montana, where 102 per cent of the highest vote cast for officials expressed itself on the repeal of the prohibition law and an increase in the gasoline tax (initiated measures). Arkansas voters were by no means laggards, 95 per cent of those coming to the polls having voted on the full-crew law. The same per cent of the total was cast in South Dakota upon a referred proposition; 96 per cent expressed an opinion upon the sale of beer in Wisconsin; and 98 per cent voted on the method of selecting levee commissioners in Mississippi.

The state averages are perhaps the most significant figures in the study of popular interest. They ranged from 23 per cent in North Carolina, up through 34 per cent in South Carolina, 36 per cent in Idaho and Rhode Island, 38 per cent in Indiana and 39 per cent in New Mexico, to 87 per cent in Arkansas, 88 per cent in Maine, 94 per cent in Montana, 95 per cent in South Dakota, and 97 per cent in Mississippi. On all measures for all states this average (percentage of the total vote which was cast on propositions) was 65⅔ per cent; on constitutional amendments it was 64 per cent; on measures referred by the legislature it was 67 per cent; on measures referred by petition, 78 per cent; on initiated measures, 78 per cent. The 1924 figures were somewhat lower for the first three types of measures, and higher for the last two.

In the initiative states the average for all measures was 77 per cent, and in the other states, 57 per cent.

MEASURES CLASSIFIED

An attempt to classify the measures as political, financial, social, and economic or industrial, upon the basis of the nature of their content or purpose, gave the results appearing in the accompanying table.

Of the financial measures twenty-three were submitted by the legislature of South Carolina in order to except various local government areas from the constitutional limitations imposed upon their powers to incur indebtedness. These all passed, but in 1924 thirty-nine similar proposals failed.[1]

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[1] The secretary of state, W. P. Blackwell, explains that it has always been the custom to vote favorably upon all such proposals and that probably only in 1924 was any such measure ever defeated. The interesting and exceptional popular attitude of that year he accounts for on two grounds. At the same election a $10,000,000 bond issue for state institutions was submitted which was not at all popular, and certain politicians made such capital out of the hostility to it that the voters, not always sure of the meaning of measures, took no chances and expressed an emphatic "no" all over the ballot. (They did

Analysis of Measures Voted on by the People

Type of Measure	Political			Financial			Social			Economic		
	Total	Passed	Failed	Total	Passed	Failed	Total	Passed	Failed	Total	Passed	Failed
Initiated laws or resolutions	1	1	0	11	3	8	9	3	6	4	1	3
Initiated amendments	5	2	3	2	1	1	3	0	3	1	0	1
Initiated (total)	6	3	3	13	4	9	12	3	9	5	1	4
Measures referred by petition	1	0	1	2	1	1	6	3	3	2	0	2
Amendments proposed by the legislature	52	30	22	44	39	5	13	8	5	17	11	6
Statutes, bond issues, etc., submitted by the legislature	2	0	2	12	9	3	6	4	2	1	0	1
Totals	61	33	28	71	53	18	37	18	19	25	12	13

Judson King, director of the National Popular Government League, classifies the measures voted upon in the I. and R. states as follows: "Thirty-six related to changes in the structure of government or the administration of government, or the processes of political action; twenty had to do with changes in the taxation system or the rate and methods of taxation; four related to public ownership or regulation of public utilities; ten dealt with education, including both the universities and the public school systems; six were anti-prohibition; four were concerned with farm and labor legislation."[1] The others were miscellaneous.

PEOPLE COLD TO SALARY INCREASES

Extensive comment on particular proposals is hardly worth while. Probably the most strikingly uniform attitude of the voters is their opposition to any increase in official salaries, notably those of legislators. Only in Maryland and Georgia were authorizations of higher pay approved, in both cases for judges. Legislators must still be content with five dollars a day in North Dakota, South Dakota, Idaho, Washington, and New Mexico, and with six dollars a day in Oklahoma. The increases proposed were not unreasonable in any instance. The same popular attitude, displayed in 1920 and 1922, was attributed to declining prosperity, but this explanation can hardly suffice now. The voters seem to demand in many cases that officials serve at a distinct financial sacrifice, whether because they think that more capable officials can be secured on such terms, or because the persons willing to become candidates are worth no more than they are being paid, or because the honor of office is sufficient reward, or because, as Governor Peay of Tennessee hinted broadly, there are plenty of applicants for the positions at the present rates of pay, cannot be determined.

Bond issues for ordinary purposes were generally approved with a notable exception in Kentucky. Exemptions from taxation for the purpose of encouraging industrial development were favored in Arkansas, South Carolina, and Louisiana, and for other purposes in California. Income taxes were defeated in Indiana and Oregon, and at

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approve four other amendments, however.) Besides, the state had been in uncomfortable financial straits for three years and the voters, generally favorable toward bond issues for schools and highways, believed they were not necessary at that time.

[1] Bulletin No. 107, February 1, 1927.

the same time in the latter state the voters overwhelmingly defeated a constitutional prohibition of income and inheritance taxes. The classification of property for purposes of taxation was frowned upon in West Virginia and, although nearly 200,000 more Illinois voters favored allowing a vote of two-thirds of the legislature hereafter to free that body from the taxation limitations of the constitution, the requirement of a majority of those voting at the election prevented the adoption of the amendment. Michigan voters again disapproved the employment of excess condemnation by cities, and in Ohio the proposal to assess the cost of acquiring lands for public improvements upon lands benefited rather than upon adjacent lands, went down to defeat.

Propositions which would to a greater or lesser degree have put the state or locality into some business or commercial undertaking were defeated in California, Oregon, Missouri, Michigan and Montana; that is, wherever they appeared upon the ballot.

Perhaps the outstanding case of popular unwisdom was the rejection in Massachusetts (where, by the way, a literacy test prevails), of a proposed 5 per cent and 10 per cent score advantage for veterans and disabled veterans, respectively, in civil service examinations, to replace the present practice of placing veterans above all others on the eligible list. This action contrasts unfavorably with that of New York a few years ago. The committee of the General Court, it must be admitted, had recommended the defeat of the measure, including in its report, which becomes part of the publicity pamphlet, the statement that the present law had been enacted in 1919 at the recommendation of Governor Coolidge and that under it "of the total number of appointments made barely fifty per cent were veterans." Ohio voters decisively refused to withdraw from the Constitution the requirement of the use of the direct primary for all nominations. They apparently believe much more firmly in the direct primary in the abstract than they believe in their ability to use it for the nomination of candidates who will not destroy it.

DOES MONEY DICTATE?

Upon the assumption that fifty-four of the proposals voted upon in the states employing the initiative and referendum were questions upon which the action of the voters might reasonably be described as progressive or conservative, Mr. King concludes that the people in these states voted progressively thirty-nine times and conservatively fifteen times. The writer has not attempted to examine the justification for this conclusion (the specific measures rated were not presented in Mr. King's survey) and consequently expresses neither agreement nor disagreement. Mr. King discountenances the idea that "the vote goes where the big money goes." He holds that "where a real public opinion has been established regarding an institution with which the voters have had experience, money is of no avail." It has, however, great influence upon the acceptance or rejection of new programs, he concedes.

Inadequate publicity still characterizes the submission of the proposals in many states. The arguments pro and con, when printed in a pamphlet, are sometimes so diametrically opposed and contradictory as to the purpose of the proposition, that even the most intelligent voters must feel shaky and uncertain. The printing in full of a long statute, especially one amending an existing law, is a hopeless way of acquainting the voter with even the elements of his problem. A simple statement of the formal purpose of the proposal, as distinct from its possible results, would be most useful. But who shall be trusted to draft such a description? Court action may be had in some states to assure correct ballot titles and prevent the use of misleading captions. Perhaps this method would safeguard an official description. Political "facts" are notoriously difficult to find, and when found they seem still to be not altogether impersonal.

Of the fourteen constitutional amendments laid before the electorate of Louisiana the New Orleans *Times-Picayune* said: "The average voter was personally interested in one or two and acquainted with their meaning. With respect to the others he probably knew little and cared less. His reading of the amendments as published in advance of the election could bring little enlightenment."[1] A Massachusetts editorial said of the proposed amendment relating to town meetings: "There was no controversy over the referendum, and no reason could be found for any opposition if the question was understood." Yet 160,000 negative votes were cast. This is attributed to the tendency to vote "no" when a question is not understood and to vote "no" on a group when there is an intense eagerness to defeat a particular proposal. It is noted, also, that Boston, Cambridge, Newton, Lawrence, Fall River and New Bedford all gave a majority for the defeated veterans' preference initiative, and the suggestion is offered, as a reason for this divergence from the vote of the rest of the state, that it may have been effected by a radio talk in favor of the proposal from a Boston station the night before the election.

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[1] The writer here makes an honest confession, although perhaps at the risk of whatever slight reputation for intelligence he may possess. After comparing the language of each proposed amendment with that of the existing clause of the constitution to which it was intended to apply, he wrote out summaries of the fourteen proposals and later discovered on reading the description of these proposals which appeared in the *Times-Picayune*, and which he assumed to be correct, to his amazement and chagrin that he had almost completely misstated the intent of one proposal and had come sadly wide of the mark in calculating the meaning of two others. He can only hope that this percentage of error has been materially reduced in the case of other states and other measures.

PROPOSITIONS SUBMITTED TO THE VOTERS IN THE SEVERAL STATES, 1926

CONSTITUTIONAL AMENDMENTS

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Arizona				
(By initiative)				
Prohibiting persons who have served two consecutive terms in a state office from thereafter being elected to such office, excepting members of the legislature and judiciary	23,401	*28,299*[1]	65[2]	29[2]
Arkansas[3]				
(By legislature)				
Permitting the legislature to authorize school districts to levy, with the approval of the electors, a tax of not exceeding 18 mills (instead of 5) for school purposes	*97,502*	40,873	90	64
Exempting from taxation for seven years all capital invested in textile mills manufacturing cotton	*102,044*	36,661	91	67
(By initiative)				
Permitting cities of the first and second classes to borrow money, with the approval of the voters, by means of serial bonds of a maximum term of 35 years and to an amount for which a five mill tax would provide interest and amortization (present constitution forbids state or subdivisions to incur debt)	*66,915*	54,768	79	44
Forbidding the general assembly to pass any special or local act, excepting to repeal an existing special or local act	*80,500*	44,150	81	53
California				
(By legislature)				
Taxing common carriers upon public highways engaged in transporting persons 4¼%, and in transporting property, 5%, of the gross receipts in lieu of all other taxes and licenses	*751,379*[4]	211,618	79	62
Increasing the annual compensation of state officers $2,000 and permitting the legislature to decrease but not to increase these amounts	360,656	*554,848*	75	30
Changing, with the approval of the legislature, the state tax on steam railroads not exceeding 250 miles in length from 7% to 5¼% of the gross receipts	*643,993*	236,104	73	54
Authorizing the issue of bonds to the amount of $8,500,000 for state buildings and state university buildings	*650,282*	311,619	79	54
Exempting from taxation the buildings and a limited area of the grounds of educational institutions of the secondary grade not conducted for profit and accredited to the University of California	343,526	*614,659*	79	28
Extending certain exemptions from taxation to veterans released from active duty because of disability resulting from service in time of peace and to widows and widowed mothers of such veterans	*482,525*	468,643	79	39
Declaring aliens ineligible to citizenship shall never exercise the privileges of electors, and extending the absent voters provisions to those engaged in civil or congressional service of the United States or the state, and to those who by reason of disability are absent from their precincts or unable to go to the polls	*550,676*	308,061	71	45
Requiring the assent of holders of two-thirds of the value of the stock instead of a majority, to increase the stock or bonded indebtedness of a corporation, and eliminating the requirement for action at an advertised meeting	*427,086*	345,694	64	35
Empowering the legislature to provide by general law for the incorporation and organization of school districts and junior college districts and to classify such districts	*455,088*	344,103	66	38

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
California—Continued				
Providing that the state shall pay $3,000 of the salary of each superior court judge (the state now pays half) and that the county from which he is elected shall pay the remainder, and allowing the legislature to fix hereafter the salaries of judges of the supreme court, district courts of appeal, and superior courts (Constitution now fixes salaries of the first two classes)	435,163	*439,471*	72	36
Providing that the candidate for nonpartisan office who receives at the primary election a majority of all the ballots cast for such office shall be declared elected	*595,413*	210,915	67	49
Authorizing irrigation districts to acquire the stock of corporations owning water rights or waterworks, and requiring city or county treasurers, upon the resolution of the governing body of a political subdivision, to transfer funds up to 85% of the amount of the taxes to meet maintenance obligations and to replace the same before using the latter for other obligations	*387,905*	351,785	61	32
Exempting from taxation all property used exclusively for human burial or other permanent deposit of human dead, except as used or held for profit	*540,367*	292,134	69	45
Declaring that the legislature, in cases where jury trial is not a matter of right or is waived, may empower an appellate court to ascertain the facts from evidence in the trial court or from additional evidence in the appellate court, and make a finding of fact contrary or additional to those made by the trial court	*521,858*	230,284	62	43
Creating a judicial council to regulate court practices and procedure	*468,750*	256,252	60	39
Providing pensions for the judges of the higher state courts	286,147	*634,311*	76	24
Requiring the approval of two-thirds of those voting upon a proposition to pass it, whenever two or more proposals to incur indebtedness have been submitted at the same time to the electors of a local government area	*391,614*	352,137	61	32
Exempting from taxation immature forest trees planted on lands not previously bearing merchantable trees, and certain other trees	*619,062*	276,473	74	51
(By initiative)				
Classifying highways and grouping counties, appropriating annually for twelve years for the construction of highways $5,000,000 allocated according to a certain rule	337,906	*611,638*	79	28
Forbidding the appropriation of public money to sectarian schools or those not wholly controlled by public officers and permitting the daily study of the Bible in the public schools and reading therefrom by teachers without comment, but requiring no pupil to read it or hear it read contrary to the wishes of his parents	439,210	*571,934*	84	36
Requiring the legislature, immediately following each federal census, to divide the state into 40 senatorial and 80 assembly districts, the latter as nearly as possible to be equal in population and no county containing more than one senatorial district and no senatorial district comprising more than three counties; creating a reapportionment commission to act if the legislature should fail	*437,003*	363,208	66	36
Authorizing the issue of bonds to the amount of $500,000,000 for public development and distribution of water and electric energy	253,019	*671,053*	76	21

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
California—Continued				
Creating an *ex officio* reapportionment commission to act if the legislature fails to do so after each census	319,456	*492,923*	67	26
Colorado				
(By legislature)				
Restoring to the legislature the power to fix the salaries of the governor, his secretary, and the judges of the supreme and the district courts	95,625	*104,709*	66	31
Eliminating the requirement that in cases where salaries are provided for county and precinct officers, the same shall be payable only out of the fees actually collected, when fees are prescribed	60,086	*118,284*	58	20
Enabling the legislature to substitute motor vehicle registration license fees for ad valorem taxation of automobiles	68,459	*134,292*	66	22
(By initiative)				
Repealing the classified civil service provision[5]				
Enabling the legislature to provide for the manufacture and sale of intoxicating liquors by and through the state for personal and domestic use, such legislation not to be operative so long as it conflicts with the law of the United States	107,749	*154,672*	86	35
Creating an appointive public utility commission (instead of the present statutory body) with jurisdiction over all public utilities, except those municipally owned and irrigation projects	37,137	*161,372*	64	12
Florida				
(By legislature)				
Providing for the selection of the chief justice of the supreme court by the justices thereof every two years instead of by lot for the duration of his term	*20,068*	11,621	64	31
Providing that the apportionment and distribution of the county school funds shall be made by the county board of public instruction hereafter in accordance with general law based upon some declared principle of classification determined by the legislature	*26,401*	15,662	64	40
Excepting from those foreigners who are guaranteed the same rights of ownership, inheritance, and distribution of property as citizens, such foreigners as are ineligible to citizenship of the United States	*18,574*	13,688	49	28
Georgia				
(By legislature)				
Providing that taxing powers of counties may be increased for the purpose of collecting and preserving vital statistics	*33,888*	4,119	80	72
Providing additional compensation to be paid by Muscogee County to the judges of the circuit of which it is a part	*21,226*	11,239	69	45
Authorizing the county of Crisp to increase its bonded debt for hydro-electric power purposes	*25,985*	6,924	69	55
Providing that the legislature may exercise its powers of taxation for the construction and maintenance of a system of public highways	*26,996*	5,967	69	57
Providing a state debt increase to sum of $3,500,000 for public school teachers' salaries	*27,288*	6,416	71	57
Authorizing Chatham County to issue bonds to pave the road to Tybee	*27,249*	5,407	69	57
Authorizing one mill tax for educational purposes in counties having cities of more than 200,000 population wholly or partly within their boundaries	*27,122*	5,591	69	57

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Georgia—Continued				
Authorizing the county of McIntosh to increase its bonded indebtedness for educational purposes	*27,854*	5,203	70	59
Authorizing the county of Lowndes or the city of Valdosta, or both, to increase their bonded indebtedness to aid in the establishment of a college	*27,393*	5,391	69	58
Idaho				
(By legislature)				
Increasing the pay of legislators from five dollars per diem with a session maximum of $300 to ten dollars with a $600 maximum	21,320	*23,677*	36	17
Illinois				
(By legislature)				
Permitting the legislature by two-thirds vote of the members of each house to adopt methods of taxation free from the limitations in the present constitution	651,768[4]	*476,455*[6]	59	34
Indiana				
(By legislature)				
Permitting the legislature to classify counties, cities, townships and towns in enacting laws for the registration of voters	198,579	*184,684*[6]	37	19
Depriving the legislature of power to increase the term or salary of any officer during the term for which he was elected or appointed	182,456	*177,748*	35	18
Employing the number of votes cast for the office of secretary of state in the several counties instead of the number of male inhabitants over 21 years of age as the basis of apportionment of state senators and representatives	183,828	*189,928*	36	18
Empowering the legislature to levy and collect a tax upon incomes	239,734	*212,224*	44	23
Iowa				
(By legislature)				
Striking "male" from the qualifications of legislators	*239,999*	133,929	65	42
Kansas				
(By legislature)				
Increasing compensation of members of the legislature from three dollars to eight dollars per diem	162,815	*221,287*	76	33
Louisiana				
(By legislature)				
Permitting the organization of waterworks and subwaterworks districts and allowing them to incur debt and issue negotiable bonds upon the approval of a majority in number and amount of the property taxpayers	*23,276*	11,370	64	43
Authorizing the extension of the reforestation contract term to fifty years, and the fixing of a total severance tax upon the forest product when severed	*23,044*	11,878	64	43
Defining the boundaries of twenty-six judicial districts in the state instead of twenty-five	*24,325*	10,742	64	45
Removing the requirement that bridges over navigable streams be provided wholly from the general highway fund	*22,782*	11,297	63	42
Adding irrigation districts to the subdivisions of the state which may incur debt and issue bonds upon the approval of the taxpayers	*22,669*	10,996	62	42
Authorizing the governor to appoint a commission to prepare a code of criminal procedure, fixing the manner of submitting it to the legislature, and the compensation of the commissioners	*22,669*	11,496	63	42

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Louisiana—Continued				
Exempting farm trucks from the commercial license tax, raising the maximum tax on gasoline from two to four cents a gallon, and authorizing the legislature to allocate one-fourth the proceeds to the parishes	12,224	*31,733*	63	22
Requiring physical equipment, fuel, and janitors' services to be paid for from a one and three-fourths mill tax, in addition to the construction and repair of buildings, as at present, in the Orleans School District	*18,745*	18,436	69	35
Authorizing the legislature to appropriate not to exceed $70,000 for the expenses of the state tax collector's office in New Orleans, instead of $50,000	*20,478*	12,820	61	38
Modifying the jurisdiction of the first City Court of New Orleans	*20,977*	11,718	60	39
Extending from 1927 until 1932 the time within which at least $3,000,000 must have been expended by a corporation for a combined system of irrigation, navigation, and water power development in order to secure for ten years an exemption from taxes upon capital stock, franchises, and property	*21,539*	11,362	61	40
Allowing Rapides Parish or any school district thereof to levy for not over ten years a special tax of not more than fifteen mills in excess of the constitutional limitation	*23,806*	11,343	65	44
Requiring the supreme court, in case any member of the pardon board is unable to act, to substitute the speaker of the house for the lieutenant governor, the first assistant attorney general for the attorney general, and another judge for the judge of the court before which conviction was had	13,487	*21,474*	64	25
Authorizing the Board of Levee Commissioners of the Orleans Levee District to reclaim land along certain shores of Lake Pontchartrain for three miles from the present shore line, to maintain parks and beaches, and for these purposes to borrow $15,000,000, providing that 15% of the reclaimed area shall be reserved for parks, instead of 1,000 feet in depth along the entire lake front of the improvements as at present	15,985	*18,460*	63	29
Maine				
(By legislature)				
Prohibiting the use of public funds for other than public institutions and public purposes	65,349	*94,148*	88	36
Maryland				
(By legislature)				
Authorizing the mayor and council of Baltimore to pay judges of supreme bench of Baltimore City additional salaries	*84,968*	68,098	44	24
Massachusetts				
(By legislature)				
Authorizing the legislature to establish in any corporate town of more than 6,000 inhabitants a form of town government providing for a town meeting limited to such inhabitants as may be elected for the purpose (present constitution permits legislature to set up city governments only when towns contain 12,000 inhabitants)	*394,538*[4]	160,837	53	37

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Michigan				
(By legislature)				
Making the compensation of legislators $1,200 for the regular session instead of $800 as at present, and ten dollars a day for the first twenty days of a special session instead of five	189,739	*279,241*	75	30
Removing from an incumbent of the office of sheriff the restriction to four years tenure in any period of eight years	*278,329*	216,463	78	44
Making it the duty of the legislature to provide by general law for the incorporation by any two or more cities, villages, or townships or parts thereof, of metropolitan districts for the purpose of owning and operating public utilities, provided that no municipality shall surrender any utility rights without the approval of the electors thereof, and allowing the electors of such a district the power of home rule	207,993	*229,314*	69	33
Permitting the legislature to authorize municipalities to employ excess condemnation	204,859	*231,672*	69	33
Minnesota				
(By legislature)				
Providing two additional justices of the supreme court to replace the present two statutory commissioners	331,964[4]	*148,784*[6]	66	46
Promoting the forestation or reforestation of lands publicly or privately owned by authorizing the legislature to fix a definite annual tax on such lands for a term of years and a yield tax thereafter upon the product	*383,003*	127,592	70	53
Abrogating the present rule of stockholders' liability, fixed for all except manufacturing or mechanical businesses, and authorizing the legislature from time to time to prescribe the liability of stockholders in corporations	323,322	*140,422*	64	45
Mississippi				
(By legislature)				
Providing for popular election of levee commissioners by counties or parts of counties within the levee districts	*25,185*	1,004	98[7]	94
Fixing the number of levee commissioners to be elected from each county within a levee district	*24,831*	978	96	93
Montana				
(By legislature)				
Authorizing the legislature to collect a tax upon agricultural land for hail insurance, provided the tax shall not be levied in any county until the electors have voted in favor of it, unless the owner shall have consented to such a tax in writing	54,389	*67,700*	80	36
Nevada				
(By legislature)				
Adding to the subjects for which special legislation is prohibited the compensation of township officers, but permitting the legislature to empower county commissioners to regulate this matter	*13,544*	5,963	62	43
New Mexico				
(By legislature)				
Providing for the apportionment of monies derived from lands granted to the state by congress among the several funds in proportion to the number of acres granted for each object	20,338	*21,278*	38	19

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
New Mexico—Continued				
Paying legislators seven dollars for each day's attendance and three dollars for expenses instead of five dollars a day without any expense allowance	18,788	*23,560*	39	17
North Carolina				
(By legislature)				
Providing that the election returns for the state executive officers be directed to the secretary of state instead of the speaker of the house of representatives, and allowing the legislature to prescribe rules for the canvass and declaration of the result	*47,618*	24,800	20	13
North Dakota[8]				
(By legislature)				
Increasing per diem compensation of legislators from five to eight dollars a day	48,719	*86,883*	84	30
Increasing from two to six years the term of railway commissioner and providing for the election of one commissioner every two years instead of three commissioners at once	*69,214*	61,235	80	43
Ohio				
(By legislature)[9]				
Authorizing the assessment by municipalities of the cost of acquiring property for public improvements upon the lands benefited thereby, whether abutting, adjacent, or otherwise located	234,754	*352,301*	85	34
(By initiative)				
Authorizing the legislature to provide by law the manner in which all nominations for public office shall be made, preserving the right to be nominated by petition (Constitution at present provides that all nominations shall be made at direct primary elections)	405,152	*743,313*	80	28
Oklahoma				
(By legislature)				
Raising the pay of legislators from six to ten dollars a day, limiting the length of session to ninety days, and prohibiting the introduction of any bill into either house after the sixtieth day except upon the recommendation of the governor	54,007	*251,336*	80	14
Creating a special school apportionment fund of at least fifteen dollars but not to exceed sixteen dollars per annum for each pupil in average school attendance, to be raised by a state levy in excess of other constitutional limits	105,558	*223,665*	86	28
Oregon				
(By legislature)				
Permitting the issuance of bonds by Klamath County equal to the amount of the warrants outstanding in 1919	*81,954*	68,128	64	35
Permitting the board of directors of the Portland school district to levy a tax not to exceed $900,000 in excess of the 6% limitation	54,625	*99,125*	66	23
Repealing the clause which forbids free negroes and mulattoes coming into or residing in the state	*108,332*	64,954	74	47
Prohibiting any tax upon inheritances or incomes and forbidding the submission of any amendment of this provision before 1940	59,442	*121,973*	78	25
Providing that if an officer is recalled, the vacancy shall be filled immediately in the manner provided by law, instead of by an election accompanying the recall vote	*100,324*	61,307	69	43

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Oregon—Continued				
Authorizing Curry County to ratify and pay all unpaid warrants outstanding in 1925 and to levy taxes in excess of the present constitutional limitations......	*78,823*	61,472	60	34
Authorizing Klamath and Clackamas counties to issue bonds equal to the amount of warrants outstanding in each at certain dates..................	*75,229*	61,718	59	32
Providing that vacancies in elective state, district, county, or precinct offices shall be filled at the next general election only if the vacancy occur twenty days at least before such election................	*100,397*	54,474	66	43
South Carolina				
(By legislature)				
Providing for election of members of the house of representatives every four years..........................	3,947	*6,147*	64	23
Twenty-three proposals relating to limitations upon the bonded indebtedness of counties, cities, towns and townships, all of which were adopted..............	2,882 to *3,249*	2,202 to 2,608	33	19
(Average)	3,065	2,450		
Authorizing certain counties (two) to exempt furniture factories, pulp or paper mills, and tobacco factories, from county taxes for five years..................	*2,929*	2,278	31	18
Authorizing certain counties (two) to exempt manufactories from county taxes for five years......................	*3,035*	2,377	33	18
Authorizing certain counties (23) to exempt cotton and textile enterprises from county taxes for five years..........	*3,341*	2,884	37	20
Exempting the Tugaloo River from the section of the constitution relating to eminent domain......................	*2,879*	2,425	32	17
South Dakota				
(By legislature)				
Raising the salaries of the state elective executive officers and of the legislators, —the governor's from $3,000 to $7,500 and legislators' from five to ten dollars for each day's attendance...........	55,670	*117,866*	94	30
Texas				
(By legislature)				
Subjecting to taxation, except for state purposes, all agricultural or grazing school lands owned by any county, to the same extent as land privately owned...	*91,158*	44,254	51	34
Abolishing the Board of Prison Commissioners and authorizing the legislature to provide for the management of the prison system..........................	*85,629*	47,740	50	32
Making it possible for officers and enlisted men of the National Guard, National Guard Reserve, etc., to hold other state offices and receive the emoluments thereof..........................	*78,590*	58,416	52	30
Eliminating the provision which authorizes the legislature to create special school districts..........................	*79,267*	51,569	49	30
Washington				
(By legislature)[4]				
Paying members of the legislature $300 per annum instead of $5 per diem with a maximum session of sixty days........	75,329	*120,158*	57	22
Authorizing the legislature to provide for the forestation or reforestation of lands and to fix a definite tax for a term of years, or a classification rate, and also levy a yield tax at the end of such term or upon the products of such land......	87,158	*107,524*	57	26

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
West Virginia				
(By legislature)				
Permitting the classification of property for purposes of taxation	111,927	*159,653*	64	26
Making the governor, instead of a budget commission, responsible for formulating the budget	126,125	*134,842*	61	30
Wisconsin				
(By legislature)				
Providing for the recall in the state, counties, and congressional, judicial, and legislative districts	*205,868*	201,125	74	38
Authorizing the legislature to fix the salary of the governor at not less than $5,000 (Constitution at present provides $5,000)	*202,156*	188,302	72	37

MEASURES SUBMITTED TO THE VOTERS BECAUSE OF SPECIFIC CONSTITUTIONAL REQUIREMENT, OR BY VIRTUE OF REFERENDUM PETITION, OR AT THE OPTION OF THE LEGISLATURE

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Arizona				
(By petition)				
Regulating stock quarantine, meat inspection, slaughter and sale; requiring licenses	9,184	*35,642*	56	12
(By legislature)				
Repealing the laws relating to the preservation of game and fish (including an initiated measure of 1916), and directing the legislature to enact a game and fish code	22,058	*28,317*	63	28
California[4]				
(Required by constitution)				
Providing a bond issue of $20,000,000 to assist war veterans to acquire farms or homes	*705,398*	219,230	76	58
(By petition)				
Requiring those dealing in oleomargarine to pay, in addition to the annual license, a tax of two cents a pound	287,703	*748,640*	85	24
Illinois[4]				
(Required by constitution)				
Authorizing the lease of the Illinois and Michigan Canal and its right of way or any portion thereof between Joliet and the Chicago River	808,718	*417,039*[6]	64	42
Kentucky				
(Required by constitution)				
Providing a $5,000,000 bond issue for penal, charitable and correctional institutions	131,472	*149,587*	50	23
Providing a $4,000,000 bond issue for paying outstanding warrants of the commonwealth and interest accrued thereon	107,503	*154,756*	47	19
Michigan				
(Required by constitution)				
Proposing a constitutional convention	119,491	*285,252*	64	19
Missouri				
(By petition)				
Providing a system of workmen's compensation and creating a commission to administer it	*561,898*	251,882	83	57
Montana				
(Required by constitution)				
Increasing the state tax on real and personal property five mills to provide for the maintenance of the public schools	53,143	*86,897*	91	35
Nevada				
(By petition)				
Resolution of the legislature recognizing that constitutional prohibition has failed and applying to Congress to call a constitutional convention to propose an amendment to the present Eighteenth Amendment	*18,131*	5,352	75	60
Part of the preceding resolution reading as follows: "Experience has demonstrated that the attempt to abolish the recognized abuses of the liquor traffic by the radical means of a constitutional amendment has failed generally of its purpose"	*17,332*	5,607	74	56
New York				
(By legislature)				
Obtaining the judgment of the qualified voters upon the question whether the Congress of the United States should modify the federal prohibition act so that it would not apply to beverages not in fact intoxicating as determined by the laws of the respective states	*1,763,070*	598,484	79	60

SEE FOOTNOTES ON PAGE 661

CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
North Carolina				
(Required by constitution)				
Authorizing a bond issue of $2,000,000 to aid World War veterans to obtain homes	*65,951*	26,084	25	18
Oklahoma				
(By petition)				
Repealing the labeling of convict-made goods	102,660	*192,484*	77	27
Repealing the free textbook law	120,210	*187,369*	80	32
(Required by constitution)				
Calling a constitutional convention in 1927	47,510	*241,040*	76	12
Oregon				
(Required by constitution)				
Creating a normal school at Seaside, Clatsop County	47,878	*124,811*	74	21
Creating an Eastern Oregon State Normal School	*101,327*	80,084	78	43
Establishing a tuberculosis hospital in eastern Oregon	*131,296*	48,490	77	56
(By petition)				
Transferring to the state general fund 10% of the receipts of practically all state boards supported by fees, licenses, or taxes, and deducting the same from the revenue available for such boards	46,389	*97,460*	62	20
Imposing an excise tax upon the sale of cigarettes and tobacco	62,254	*123,208*	79	27
Imposing a license tax upon motor vehicles used as common carriers for persons or property upon the public highway	*99,746*	78,685	76	43
Rhode Island				
(Required by constitution)				
Authorizing a bond issue not to exceed $3,000,000 for a bridge between Providence and East Providence	*60,365*	8,693	40[4]	35
Authorizing a bond issue not to exceed $600,000 for a new building at the Rhode Island State College	*56,810*	11,226	40	33
Authorizing a bond issue not to exceed $600,000 for the Rhode Island College of Education	*52,157*	12,527	38	31
Authorizing a bond issue not to exceed $850,000 for a court house in Providence and $25,000 for one at Newport	*39,905*	15,740	33	23
Authorizing a bond issue not to exceed $925,000 for a state office building at Providence	*36,645*	16,845	31	21
Authorizing a bond issue not to exceed $500,000 for the construction and repair of bridges	*50,015*	9,800	35	29
Authorizing a bond issue not to exceed $1,125,000 for the construction and reconstruction of buildings at penal and charitable institutions	*52,620*	8,684	36	31
South Dakota				
(By petition)				
Transferring the depositors' guarantee fund to a Depositors' Advisory Commission consisting of the superintendent of banks and three others appointed by the governor, and empowered to pass upon applications for charters for new banks	79,823	*95,830*	95	43
Wisconsin				
(By legislature)				
Proposing a resolution that congress amend the Volstead Act to authorize the manufacture and sale of beer of an alcoholic percentage of 2.75% by weight under government supervision but with the provision that no beverage so purchased should be drunk on the premises where obtained	*349,443*	177,602	96	64

SEE FOOTNOTES ON PAGE 661

MEASURES INITIATED BY POPULAR PETITION, EXCLUDING CONSTITUTIONAL AMENDMENTS

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Arizona				
Providing for a one mill road tax, passenger capacity tax, truck tonnage tax, gasoline tax, and regulating the expenditure of the proceeds of these taxes	8,423	*40,622*	61	9
Establishing a Motor Vehicle Department under an elective commissioner and fixing a motor registration tax as the only tax upon non-commercial automobiles	11,081	*41,494*	66	14
Arkansas				
Repealing the full crew law	65,810	*81,899*	96	43
Changing the time for the election of state, county, and township officers to the Tuesday after the first Monday in November	*101,867*	24,837	83	66
California				
Placing an additional tax of one cent a gallon on motor vehicle fuels and regulating the expenditure of the proceeds	499,415	*539,343*	86[4]	41
Permitting pari-mutuel betting within race-track enclosures upon payment of a license fee, limiting the licensee's return to 9% on the investment, and allotting the net proceeds to the Veterans' Welfare Board and the State Agricultural Board	362,299	*661,367*	84	30
Repealing the Wright prohibition enforcement law	502,258	*565,875*	88	41
Colorado				
Permitting licensed dentists or physicians from other states to give clinics for educational purposes before dental schools or bodies of dentists, and providing that nothing in the act shall be construed to mean that it is unprofessional to advertise or to charge low fees for dental work	56,433	*182,816*	78	18
Laying a tax of three and one-half cents a gallon on gasoline, apportioning the proceeds of the tax to state, counties, and municipalities, and fixing the license fee for motor vehicles	81,762	*145,482*	71	27
Illinois				
Taking the sense of the voters on the question whether the Congress of the United States should modify the Federal Prohibition Act so that it would not apply to beverages that are not in fact intoxicating as determined by the laws of the respective states	*840,631*	556,592	73	44
Massachusetts				
Providing for the addition of 5% to the score of a civil service examinee if a war veteran, and 10% if a disabled veteran, instead of placing all disabled veterans at the head of the eligible list and all other veterans above all non-veterans	352,796	*381,895*	72	34
Missouri				
Repealing the workmen's compensation law of 1925 and providing a system of compensation with considerably higher rates, and requiring the employer's liability to be carried with the Missouri compensation insurance fund	160,645	*612,392*	78	16
Permitting the legislature to grant cities the right to establish pension systems for police officers and for widows and minor children of deceased officers	*523,634*	277,450	81	53
Repealing the prohibition enforcement law of 1919 and its amendments	294,388	*569,931*	88	30

SEE FOOTNOTES ON PAGE 661

MEASURES INITIATED BY POPULAR PETITION, EXCLUDING CONSTITUTIONAL AMENDMENTS—*Continued*

STATE AND SUBJECT	VOTE		PERCENTAGE OF VOTE FOR OFFICIALS CAST ON THE PROPOSITION	PERCENTAGE OF VOTE FOR OFFICIALS CAST FOR THE PROPOSITION
	FOR	AGAINST		
Montana				
Repealing the prohibition law	*83,231*	72,982	102	53
Increasing the gasoline tax from two to three cents a gallon, devoting all the proceeds to highway purposes, and limiting the engineering and administrative costs to 8%	*114,763*	42,232	102	74
North Dakota				
Levying a tax of two cents a gallon on gasoline	*65,813*	57,374	80	43
Oklahoma				
Providing a procedure for testing any tax levy and striking out the illegal portions before the levy should be spread	*182,012*[10]	68,975	65	47
Making the average ad valorem tax rate the basis for the gross production tax rates for the succeeding year; the tax upon crude oil and natural gas to be the same as the ad valorem rate, and the tax on asphalt, lead, zinc, and other ores, to be one-sixth the ad valorem rate	76,652	*220,382*	77	20
Requiring serial bonds to be used hereafter, the first payment to be due not less than three years from the date of issue, and all issues aggregating $5,000 to be sold at an advertised sale	114,479	*165,288*	73	27
Oregon				
Levying a progressive tax on incomes with provision for an offset from such tax of all property taxes paid during the income year	50,199	*122,512*	74	21
Requiring annual license fees for the operation of busses and trucks on the public highways by transportation companies, deducting from these fees the amounts paid for registration of such vehicles	76,164	*94,533*	73	33
Prohibiting the use of fish wheels in the Columbia River and the use of fish traps and seines in this river east of cascade locks, and prohibiting licenses for the use of gill nets of more than 250 fathoms length	*102,119*	73,086	75	44
Levying a progressive income tax	83,991	*93,997*	76	36
Creating the Oregon Water and Power Board with full authority to conserve, develop, and distribute electric energy and water for irrigation and domestic purposes, and to issue bonds not to exceed 5% of the state's valuation	35,313	*147,092*	78	15

SEE FOOTNOTES ON PAGE 661

PROPOSITIONS SUBMITTED TO THE VOTERS IN THOSE STATES IN WHICH THE INITIATIVE AND REFERENDUM, OR EITHER, MAY BE EMPLOYED, 1925

STATE AND SUBJECT	VOTE	
	FOR	AGAINST
Maine		
(Constitutional amendment submitted by legislature)		
Authorizing a bond issue for a bridge across the Kennebec River	*54,107*[11]	8,228
Authorizing the issue of highway and bridge bonds	*49,821*[11]	10,332
(Proposition submitted by legislature)		
Creating a corporation for developing and using the power of the tides in the Bay of Fundy	*53,547*[11]	7,220
(Statute referred by petition)		
Relating to standard time	*34,414*[12]	28,454
Defining certain grades of milk offered for sale within the state	19,607[12]	*38,056*
Ohio		
(Constitutional amendment by legislature)		
Providing that hereafter the legislature shall tax all real estate and tangible personalty, except motor vehicles, by a uniform rule, and intangible personalty as provided by law	435,944	*501,221*
Providing four year terms for governor, lieutenant governor, secretary of state, auditor, treasurer, and attorney general, and for all elective county officials	325,451	*543,183*
Forbidding bonds or other evidences of indebtedness to be issued by any county, school district, or municipal corporation for current operating expenses or for any property or improvement having an estimated usefulness of less than five years; forbidding bonds to be issued for a longer term than the probable period of usefulness of the improvement and authorizing the legislature to fix a maximum maturity period for bonds issued for any purpose	450,218	*535,251*

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[1] The prevailing vote is printed in italics.

[2] These percentages are based on the total vote cast for all candidates for the office for which the highest number of votes was cast in the state, such as, usually, the office of governor or United States senator.

[3] Submitted at an election held October 5, 1926.

[4] Based on total vote cast, officially reported. This is practically always somewhat higher than the vote for any particular office.

[5] Petition held inadequate by the supreme court.

[6] The constitution requires a favorable majority of those voting at the election, for adoption.

[7] The vote cast for candidates was furnished by W. T. Parker, Mississippi A. and M. College.

[8] Submitted at the primary election, June 30, 1926.

[9] Submitted at the primary election, August 10, 1926.

[10] After approval by popular vote, held unconstitutional by supreme court.

[11] September 14, 1925.

[12] December 7, 1925.

RECENT BOOKS REVIEWED

James Bryce (Viscount Bryce of Dechmont, O. M.). By H. A. L. Fisher. 2 volumes. New York: The Macmillan Co. $8.00.

James Bryce was almost as much of an American character as a British one. His frequent visits, his intimate associations, his *American Commonwealth*, his ambassadorship, made him known and endeared him to Americans. No other man has written so searching a study, analysis and criticism of another country, and retained its respect and affection as James Bryce, British historian and parliamentarian. No other book of its kind, I take it, has been so widely and frequently quoted as these two volumes. During my 25 years of active association with the National Municipal League I heard or read Bryce's indictment of American municipal government on an average twice a week and even now, nearly two generations since its publication, it is used as a text. Indeed *The American Commonwealth* may appropriately be regarded as marking the turning point in history of our municipal life. In those days—the seventies and eighties—our municipal government was regarded as the "conspicuous" failure in our government, indeed we are indebted to Bryce for the phrase which unquestionably served to stimulate thinking Americans to their duty.

More than 150,000 copies of this great work have been sold in this country and I believe the demand continues. It is on the shelves of private and public libraries and a standard textbook in American schools and colleges. Notwithstanding its searching, and at times its relentless, criticism of the timidity and corruption of state legislatures, the enormous mass of ill-digested legislation, the spoils system, the party boss, the deplorable failure in many cases of city government, the evidence of corruption in the state judiciary, the general contempt for the political class, at the time of his death he was described as "the greatest influence in bringing together the two branches of the English speaking race."

One of the stories Fisher tells discloses the hold Bryce had on Americans. One day while he was ambassador, "two miners boarded a railway car in Nevada. After a long pause one observed to the other, 'Ole man Taft is all right.' To which in due course, the answer came 'Yes, ole man Taft is all right.' 'And ole man Bryce is all right,' resumed the first speaker. 'Yes, ole man Bryce is all right,' and having thus exhausted the world of politics the two speakers relapsed into silence." Bryce loved our democratic ways, was himself a good mixer, and during his six years as ambassador he made friends everywhere, was interested in everything American and seemed to impress everyone with his integrity, geniality and friendliness.

Warden Fisher has done a distinguished piece of work in these two admirable volumes. He makes James Bryce stand out clearly and definitely as a power for progress, because of the clearness and accuracy of his vision and his great ability to express himself calmly and at the same time forcibly. Bryce was an omnivorous reader and a keen observer who seemed never to forget a thing he had seen or heard. Most men who have such memories lack the power of coördination or the power of expression or both. He had all three capacities in a superlative degree.

He was always inquiring and these volumes abound in instances which illustrate his methods of getting at the inside of things. Warden Fisher has the same sense of humor that characterized Bryce and consequently we have many an entertaining page. Indeed there is scarcely a page which is without deep interest, profit or entertainment.

We have here set forth the story of his Scottish childhood, his student days, his travels all over the world, for he was an indefatigable traveler, his years in Parliament, his books, his visits to America, his temporary unpopularity because of the stand he took in regard to the Boer War, his visit to the battle front of the Great War at the age of seventy-eight, and his work for a League of Nations. The letters to some of his American friends and the incidents of his friendships with other prominent Englishmen show the fine generosity and geniality of his character.

His chief Philadelphia correspondent was Henry Charles Lea, the historian and supporter of civic movements. An illuminating story is told of their first meeting. Bryce went to see Lea because of his activities as a municipal reformer, but they got into a discussion of the Forged Decretals, on which Lea as a historian of the Middle Ages was an authority and a second interview had to be arranged to give Bryce an opportunity to get the data he needed about Philadelphia.

Here we have a worthy life of a worthy man and a work of profound interest to every student of politics and government.

CLINTON ROGERS WOODRUFF.

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GETTING OUT THE VOTE—AN EXPERIMENT IN THE STIMULATION OF VOTING. By Harold F. Gosnell. Chicago: The University of Chicago Press. 1927.

Doubtless many would be well content to see the gusty agitation of the Get-Out-the-Vote campaigns of 1924 subside completely, never to stir again. Prophets of futility were not lacking amid the hub-bub of campaign itself—if voters do not vote, why and how should they be forced to the distasteful act? When the outcome of the presidential election showed the proportion of voters and non-voters in the nation still practically unmoved at half-and-half, many citizens, manufacturers and others, who had patriotically joined in the crusade were disposed to sigh regretfully and abandon the recalcitrant voter to a slacker's fate.

Yet there are signs that the Get-Out-the-Vote campaigns have at least cleared the air and that they generated fresh currents of interest now blowing straight upon the basic problem of non-voting itself. To those who understand that non-voting is a problem for scientific study and solution, the data and the suggestions in Mr. Gosnell's book are of inestimable value.

The experiment reported is of successive attempts by a non-partisan mail appeal to stimulate registration and voting in selected districts of Chicago. It supplements the ground-breaking study previously published by Professor Charles E. Merriam and Dr. Gosnell under the title "Non-Voting: Causes and Methods of Control."

The basis of the experiment lies in the tabulation of social data regarding each of six thousand citizens in districts typical of the different racial and economic communities of the city. Its success depended on getting the data, as complete as humanly possible, on every one of the adult citizens within the districts selected.

The difficulty of securing information of this nature of an accuracy scientifically acceptable is the chief deterrent to research in this field. In this case resort was had necessarily to personal canvass by trained interviewers—a laborious, exacting task, and one not without risk to life and limb in some neighborhoods of a great metropolis.

The forms of stimuli used were simple—a registration notice with information about the time and place of registration, a second notice either factual or of the cartoon variety, and a notice of the necessity of re-registration after the presidential election and before the municipal election. The response was measured by the difference in registration and voting percentages between the citizens to whom the notices were mailed and an approximately equal number of "unstimulated" citizens. Every effort was made in dividing the groups in each district to be sure of similarity of kind and condition and to eliminate all variables acting unequally upon the two save for the one factor of the stimulus applied.

Here then we have a thoroughly scientific study of an experiment to stimulate citizens to vote. The results—analyzed by numerous classifications—are to be had for the reading, made easy for the eye (after once the system is solved) by many elaborately demarcated statistical "pies."

It is cheering on any count to be assured that voting percentages can be appreciably increased by notifying citizens of the time and place of registration, and of the candidates and issues to be voted upon. A system of notification of such simple information is not an impossibility in a modern state. It is valuable to know the groups among which a non-partisan mail canvass is more effective than the exhortation of the party worker. It is valuable to know that voting stimuli of this type are particularly successful among citizens who are habitual non-voters, or those whose voting habit is not yet established, as among new residents in the city, and among women, especially those of foreign birth who acquired citizenship through marriage and those in domestic employment. Simple election machinery, with provision for notification, and political education in simple terms adapted to the needs of special groups are the remedies which emerge.

Civic organizations, especially those like the League of Women Voters which is concerned primarily with the voting effectiveness of women, may profit greatly by Mr. Gosnell's guide-posts to the goal of a functioning electorate.

GLADYS HARRISON.

National League of Women Voters.

* * *

REPORT OF THE JOINT LEGISLATIVE COMMITTEE ON ECONOMY AND TAXATION OF THE EIGHTY-SIXTH GENERAL ASSEMBLY, STATE OF OHIO. December, 1926. Pp. 270.

This report represents a sincere effort to analyze the tax situation in the state of Ohio. The Joint Legislative Committee submits a convincing case for the enactment by the legislature of a multitude of proposals designed to promote both economy in government and equality and simplicity in the taxation system.

With reference to recent legislation relaxing the inflexibility of the tax rate limitation system, the committee feels that "substantial progress has been made in remedying the taxation ills and financial practices which threatened the continued operation of a great many of our local governments." But the committee is repeatedly emphatic on the point that direct control on the issue of bonds and on the expenditure of money by local subdivisions is a sounder policy than a tax rate limitation system. The habit of borrowing for deficiency purposes and the indulgence in the practice of the refunding of bonds receive vigorous condemnation. The committee endorses the pay-as-you-go plan for financing recurring capital expenditures and recommends the further extension of the principle of debt limitations for local governments. In an effort to gauge the significance of the upward trend of governmental costs, it is compared with such things as the trend of commodity prices, wages, the growth of assessed valuation, the growth of population, the growth of wealth, social income and the trend of tax delinquencies. It is found that the rate of increase in the cost of local government, expressed in terms of taxes levied, exceeds the rate of increase for each of these other factors either for the entire period studied or since 1920. Based upon the 1913 dollar the real tax burden has increased 139 per cent since 1910. Most of this increase has come since 1920. The report in this section also presents interesting facts on the increasing indebtedness of local governments. Particularly significant is the rapid rate of increase of school indebtedness during the past fifteen years.

Sections II and III analyze and discuss the state revenue system; the financial outlook for the state government; budget and appropriation practice; a financial program for the state; the general property tax and a model tax program; and the growth of delinquencies. The committee finds the budget system unsound. To remedy this situation they urge more detailed estimates of probable revenues, the use of joint legislative committee sessions to handle financial matters, the discontinuance of existing semi-official funds and rotary funds and appropriations without estimate, the lapsing at the end of each fiscal year of the unencumbered balance of all current expense appropriations. To relieve the immediate financial stringency the committee recommends an increase in the rate of the corporation franchise tax, the enactment of a mortgage recording tax, a stamp tax upon conveyances and deeds, higher excise taxes for certain classes of public utilities, and a billboard tax. The committee argues at considerable length for the abolition of the "uniform rule." Without a constitutional amendment effecting such a change, a thorough and satisfactory revision of the Ohio tax system is impossible. Such a revision in the opinion of the committee should adopt many features of the model tax program prepared by the National Tax Association. Supplementary to this suggestion the committee presents a hypothetical application to Ohio of certain taxes in the model tax plan. An astonishing and dangerous situation has developed in Ohio in the growth of delinquent taxes. The principal remedy here urged is more vigorous administration by the tax collecting authorities.

A special section of the report concerns itself with the state aid system for school districts, the reorganization of the school district system, school housing, and entrance requirements to state universities and colleges. Serious criticisms of the present system of state aid are presented, and a new plan for supporting a state-wide minimum educational standard set forth. Associating the state and the county in the financing of the minimum standard is the important feature of the plan proposed. The committee finds the present system of a multiplicity of local school districts financially uneconomical and educationally unsound. They urge amending the statutes so as to provide for the formation of a county school unit where such a proposition is approved by popular referendum. They also urge the compulsory elimination of the smallest districts. The committee does not favor increased tuition fees for students in the state universities and normal school. They recommend, however, restricting enrollment in the state institutions of higher learning by means of more rigid entrance requirements. A final section of the report deals mainly with the reorganization of county and township government. For the county, the committee urges a short ballot and a simple and more efficient type of organization. To achieve this end and also to organize county government in accordance with the needs of widely differing regions, a constitutional amendment is proposed empowering the legislature to enact optional as well as general county government laws. The committee recommends the immediate abolition of the township and the transfer of its remaining functions to the county.

The report contains many valuable features. Numerous tables and graphs show the results of careful and painstaking research. A serious inadequacy of the report is the failure to include a study of the tax burden on different classes of industry and business. While such a study has been undertaken, it is unfortunate that it could not have been included in the present report. The committee received able assistance from a very competent staff organization headed by Leyton E. Carter of the Cleveland Bureau of Municipal Research.

MARTIN L. FAUST.

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PHILADELPHIA. By Horace Mather Lippincott, with a foreword and illustrations by Thornton Oakley. Philadelphia: Macrae Smith Company, 1926.

The volume on Philadelphia, published in the sesqui-centennial year, furnishes quite a detailed history of the early Quaker settlement, lists of the old families, descriptions of the old buildings, first roads and parks and accounts of the activities of the early Philadelphians in social life, in military service, in medicine, in fine arts, in the natural sciences, philosophy and in education. Philadelphia has occupied first place on so many historical occasions, both in Colonial times and in the national period, that Mr. Lippincott's book should prove an effective reminder to all Americans as well as to citizens of Philadelphia of the service which this Quaker settlement has rendered to the nation. Though the chapters are presented with such detail of family history that it is probable they will be read more assiduously and more thoroughly by Philadelphians than by the general public, the illustrations by Thornton Oakley cannot fail to arouse the interest and admiration of all who look at the book. The sketches of the interesting old buildings have charm, character and atmosphere.

Every city planner and architect doing work in Philadelphia could find inspiration and suggestion from this volume.

HARLEAN JAMES.

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A NATION PLAN: A BASIS FOR COÖRDINATED PHYSICAL DEVELOPMENT OF THE UNITED STATES OF AMERICA, WITH A SUGGESTION FOR A WORLD PLAN. By Cyrus Kehr, with forewords by Frederic A. Delano and Raymond Unwin. New York: Oxford University Press, 1926.

Mr. Kehr's book on the Nation Plan, issued by the Oxford University Press, presents in some thirty-five pages, mainly through the use of quotations from famous men, the conception of Nation Planning and its expected achievements. The bulk of the book, in some one hundred and twenty-five pages, is given over to methods and routes of communication.

Mr. Kehr devotes five pages to the military factors and five and a half to the civil factors of Nation Planning.

There is a chapter on the National Capital which includes recommendations for a change in the form of government. The book concludes with three pages on World Planning.

The fifty illustrations are well chosen and excellently reproduced.

HARLEAN JAMES.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Eminent Domain—As a Basis for Zoning.—We desire to call the especial attention of the readers of this department to the article published in this issue on the subject of Zoning in Minnesota, by Professor William Anderson. The experience of Minnesota in trying out the plan of basing zoning upon the power of eminent domain is very instructive, and has not heretofore been adequately treated by any other writer. The author is the director of the Bureau of Research and Professor of Political Science in the University of Minnesota and well known through his book on *American City Government* and his recent study of extra-territorial powers of cities.

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Streets and Highways—Title of Public, by Prescription.—In *Borough of West Long Branch* v. *Hoch*, which was recently reported in 138 Atl. 106, the Court of Chancery of New Jersey held that the adverse use by the public of a projected street through private property for the statutory period gave the public title not only to the part actually used for travel but to the entire width as originally planned by the owner. The generally prevailing rule is that adverse use of roads by the public gives right only to the used portion (*State* v. *Thompson*, 91 Mo. App. 329). In the instant case, the owner of the fee in 1892, for his own convenience and with the intention of opening a street whenever the owners of lands to the north should dedicate a street through their property, graded a strip for a roadway the full length. Later he graveled a portion for a driveway and used it himself and gave permission to one of his neighbors to use it. Soon it came to be used by the public, and the township and later the borough did some improvement work on the traveled portion. Although the owner of the fee never dedicated the street and from time to time endeavored to prevent the public from driving over the untraveled part by laying down obstructions, the court held that the adverse use gave the public title to the entire width of the street as originally planned, and that the acts of the defendants in attempting to keep the public off the unimproved portion did not constitute an interruption of the continuous adverse use.

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Validating Acts—Scope and Effect.—In *Graham County* v. *W. K. Terry & Co.*, 138 S. E. 443, the Supreme Court of North Carolina held that its acts of March 4, 1927, validating certain bonds of the county was not conclusive, but was modified by a subsequent act on the ninth of March requiring the submission of the first act to the approval of the electors of the county. The county tendered the bonds to the defendant which had contracted to purchase them, although the approval of the electors had not been obtained. The purchaser had refused to take the bonds unless a validating act were passed, the indebtedness of the county having reached a point that required such an act. The contention of the county was that the statute of March 4 conclusively made the issue legal and that the later statute violated the federal and state provisions against impairing the obligations of a contract. The court held, however, that both statutes were *in pari matiria* and must be construed together. It may be doubted whether the court would have maintained this position had the purchaser of the bonds been the party insisting upon the performance of the contract. The rights of the county as an agency of the state so far as they are derived from the exercise of delegated governmental powers are subject to the control of the state and upon this ground the decision seems to be defensible.

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Torts—Liability for Negligence in Operation of Water System.—The generally accepted principle of liability of a municipality for damages due to negligence in the operation of a water works system is that the injured party may recover upon the ground that the city in deriving a revenue is engaged in a proprietary as distinguished from a governmental enterprise. On the other hand if the damages result from the operation of that part of the system which serves only for fire protection, the city as engaged in a public or governmental enterprise is held immune from suit. While in both cases the city is in fact performing local services, these principles are so well rooted in American law that we may not expect their inconsistency to be removed until the state legislatures see fit to change them.[1]

An example of this conflict is illustrated in the case of *City of Richmond* v. *Virginia Bonded Warehouse Corporation*, 138 S. E. 503, decided by the Supreme Court of Virginia. The plaintiff had contracted with the city for water to supply a sprinkler system which it had installed in part of its plant. In extending the system to a new building it was necessary to make connections with the pipe already installed, and the contractor in charge requested the city water department to cut off the water from the city mains for that purpose. The agent of the city by mistake turned off a valve connecting dead pipes and upon the cutting of the factory main the warehouse was flooded, resulting in heavy damages to the building and its contents.

The city defended upon the ground that the service to be supplied was a fire protection service and therefore the principle of immunity from action for negligence applied. The Supreme Court, however, held that that principle could not be extended to cover the facts of the case, in which the water furnished was part of the commercial service to be paid for as for domestic or manufacturing uses.

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Powers—City's Power to Cede Navigable Waters under Statutory Authorization.—In *City of Milwaukee* v. *State, et al.*, 214 N. W. 820, recently decided by the Supreme Court of Wisconsin, the question of the power of the city to cede to the Illinois Steel Company a large area of land covered by the navigable waters of Lake Michigan was before the court. Milwaukee is engaged in a "gigantic project" in constructing in the outer bay a new harbor for lake shipping, essential to the maintenance of the commercial position of the city and of the state of Wisconsin. In furtherance of the plans adopted, it became necessary to acquire certain riparian lands of the Steel Company on the inner harbor, and under authority of a statute the city contracted to purchase them by the exchange of other lands under navigable waters, which had been ceded to it by the state for the improvement. Such lands are held in trust by the state for the public and the city's title was consequently charged with the same trust. As the power of the legislature to transfer such trust lands under any consideration or for any purpose to a private corporation had never been litigated in Wisconsin, this action was instituted to obtain a judicial determination of this important question.

In holding that the trust doctrine of navigable waters was not to be enforced to the extent of preventing great public improvements, the court followed the doctrine of the United States Supreme Court in *Illinois Central R. R. Co.* v. *Illinois*, 146 U. S. 387, decided in 1892, in which that court sustained the grants to the railroad company on the ground that they did not impair substantially the public interest in the lands and waters remaining. In the instant case the evidence showed conclusively that the proposed exchange of lake lands would not only not be detrimental to the interest of the public, but on the other hand was required in order to carry out an enterprise designed to increase greatly the navigability of the Great Lakes. The opinion of Justice Doerfler is well worth reading, covering as it does both the history of the enterprise and its social and economical bearing as well as a masterly discussion of the trust doctrine as it relates to navigable waters.

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Zoning—Remedies of Property Owners Damaged by the Failure to Enforce Ordinances.—In *Siegemund* v. *Building Commissioner of Boston*, 156 N. E. 852, the Supreme Judicial Court of Massachusetts holds that upon failure of the building commissioner to act to prevent a violation of a zoning ordinance, any person aggrieved may proceed by mandamus to compel him to enforce the law. Although the petitioner did not allege that he would suffer any special damage, the court held that as the owner of contiguous property, he plainly came within the description "any person aggrieved" to whom the statute gave a right to protest to the municipal authorities, and upon their failure to act to appeal to the court for relief. The decision follows that laid down in *Ayer* v. *Commissioners on Height of Buildings in Boston*, 242 Mass. 30, 136 N. E. 338, and the recent case of *Brooks* v. *Secretary of Commonwealth*, 153 N. E. 322.

The remedy of the abutting owner to compel compliance with the provisions of the zoning law when no special method of procedure is fixed by statute may be by an injunction, where the petition includes an allegation of special damages so as to lay the foundation for the jurisdiction of a court of equity. Indeed, unless the remedy given the aggrieved property owner by statute or local law is exclusive, there seems to be no reason why the owner, who can show that the violation of the ordinance will result in special damage to his realty and that the proper officers have refused to act to prevent the injury, may not resort to a court of equity to protect his rights. An interesting note on these questions was contributed by Edward M. Bassett to the September issue of *American City*, wherein he calls attention to a decision in Connecticut, *Fitzgerald* v. *Merard Holding Co.* (not yet reported), in which the Supreme Court of Errors, Third Judicial District, granted an injunction at the suit of a private individual against the violation of the zoning code of the town of Greenwich.

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[1] This immunity does not obtain in England, nor in our admiralty courts. Florida does not apply it to cities organized under the commission form of government.

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Indebtedness—Attempts to Evade Constitutional Limitations.—The question whether constitutional or statutory limitations upon municipal indebtedness cover the gross payments under contracts for services or materials to be received and paid for in annual installments has been differently decided by the highest courts of several states, but the majority opinion follows that of the Supreme Court in *Walla Walla* v. *Water Company*, 172 U. S. 1, in holding that a stipulation for an annual rental for water or gas, for example, covering a series of years should be sustained, although the aggregate of rentals to be paid during the life of the contract may exceed the debt limitation. An attempt to stretch this doctrine to cover the purchase of land by installments recently came before the California Supreme Court in *Mahoney* v. *San Francisco*, 257 Pac. 49. The city and county of San Francisco entered into two contracts, one to acquire 60 and the other 170 acres of land for the development of municipal golf courses. The contracts were in the form of leases, with varying rental over a period of ten years, the total installments amounting in one case to the option price of $240,000 for the land, including interest on deferred payments. The contracts further provided for immediate possession and the payment of all taxes by the lessee, which also bound itself to park the property, lay out golf courses, crest club houses, etc., involving an expenditure during the period of the lease alleged to amount to more than a million dollars. In a taxpayer's suit to cancel these contracts, which the lower court had ordered dismissed, the Supreme Court holds that clearly the contracts call for the purchase of the property and the assumption of heavy obligations by the municipality, which may bring the debt beyond the constitutional and charter restrictions and therefore may warrant the granting of the relief prayed for.

This case is practically on all fours with the celebrated Marina case[1] in which, upon the same grounds, the court refused to uphold a contract made in 1924 with the Exposition Company, by which the latter was to acquire the Marina, make improvements upon the same and lease it to the city at an annual rental of $185,000 which the lessor was to apply to the liquidation of a mortgage of $1,800,000, upon the consummation of which plan title to the property was to be vested in the municipality. This the court held was in effect a contract to purchase the property on the installment plan and violated the debt limitations of the state constitution and of the charter.

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[1] *San Francisco* v. *Boyle*, 195 Cal. 426 (1925). 233 Pac 965. Tooke's *Cases on Municipal Corporations*, p. 773.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Long Island Commutation Rate Case.—On August 1, the city of New York completed the presentation of its proof, and the hearings in this case were closed. The case had been conducted jointly by the Public Service Commission and the Transit Commission of New York. The latter has jurisdiction over the rates within the city of New York, and the former over rates outside of the city of New York. No interstate rates were involved.

This has been one of the outstanding recent cases that have illustrated the difficulties in our complicated and diffused rate procedure. The Long Island Railroad Company filed a new schedule of rates, a 20 per cent increase, on June 24, 1924. The new tariff was immediately suspended, and the two commissions jointly proceeded with an investigation to determine the reasonableness of the increase. The city of New York appeared as the principal opponent, assisted, however, by the Long Island Commuters' Association, also by counsel representing minor groups of citizens. A wide range of questions was considered, and various collateral inquiries were made; over three years expired before the investigation was completed. The more important aspects of the case will be briefly presented.

JURISDICTION OF THE COMMISSIONS

There is first the question of jurisdiction. The Long Island Railroad Company operates only within the state of New York, and the commutation rates apply only to passengers within the state. While the case was thus primarily a pure *intrastate* matter, it nevertheless, was involved in state relations. Under the interstate commerce act, the valuation of the property, the recapture of excessive earnings and the general level of interstate rates are all under the jurisdiction of the Interstate Commerce Commission. These are matters which, at least indirectly, control to a considerable extent the rates that can be charged for *intrastate* commutation. One of the opposing counsel, in fact, contended that the local commissions had no jurisdiction whatever; that they could not legally approve higher rates than those prevailing on railroads furnishing commutation services from other states to the city of New York.

There is also a jurisdictional problem between the two local commissions. It is conceivable that the Transit Commission may refuse to permit the increase in rates so far as the city of New York is concerned, while the Public Service Commission will authorize the increase for the territory served outside of the city of New York. Such a split decision would produce great confusion and would, of course, result in further litigation. It would be extremely difficult to maintain distinctly different levels of rates within and outside of the city of New York for the same general traffic.

Apart from jurisdiction there were four principal points of difference between the claims of the company and the city of New York. The latter attempted to show that the present rates are not only adequate to pay the operating expenses, taxes and the return on the property reasonably chargeable to the commutation business, but that in addition they furnish a profit of $2,000,000. The company, however, claimed that the present rates do not pay even the out-of-pocket costs, and contribute nothing toward the necessary return on the investment. The major points of dispute include (1) the range of maintenance expenses properly considered for the determination of rates, (2) the separation of operating expenses between freight and passenger service, (3) the separation of costs between commuters and other passengers, and (4) the valuation of the property. The city agreed that the commutation rates should be high enough to cover the full cost of the commutation service, including operating expenses, taxes and return properly chargeable to that service. It disagreed with the company as to the methods of determining the cost.

EXCESSIVE MAINTENANCE

The company based its case upon the results of 1925, taking the single year for all revenues, operating expenses, taxes and return on the property. The city showed that this one year represented a much higher general level of maintenance expenses than had been incurred in any prior year, and was nearly $500,000 higher than 1926. It contended that the normal annual maintenance requirements should be used for the purpose of rate-making; that the amount should be based upon a reasonable average covering a period of years, not the expenses of any given year which might be exceptionally low or high. It took a six-year average, which included three years of exceptionally high costs and two years of rather low costs.

APPORTIONMENT BETWEEN FREIGHT AND PASSENGERS

After the determination of total costs properly to be considered for rate-making, the next step was to make a separation between the freight and passenger services. A large proportion of the operating expenses as well as the other elements that enter into the rates, are *jointly* incurred between the two departments. This applies to a large proportion of the maintenance of way and structures, also to a considerable amount of other operating expenses, to the great bulk of taxes, and to a large percentage of the return on the property. The company in general based its apportionment upon the rules laid down by the Interstate Commerce Commission for the separation of joint operating expenses between the two services. The ratios found by the application of these rules were then applied also for the apportionment of taxes and return upon the property.

The city objected to the Interstate Commerce Commission rules as applied to the particular case. It held that the rules had been formulated for general administrative purposes of ordinary steam railroads and that they would be wrongly applied for the purpose of cost determination in this case. It objected particularly to the use of the so-called "fuel and power" rule which had a wide scope in the company's cost analysis. Under this rule a large proportion of the common maintenance expenses are separated on the basis of the relative fuel and power costs charged to the two services. In the case of steam railroads this includes the cost of fuel only, but in the case of electric operation it includes the total cost of furnishing power for train propulsions. The city admitted that where the conditions of operation in freight and passenger service are alike, as in the ordinary steam railroad, this rule would be reasonable and could be properly used for the determination of cost. But in the case of the Long Island, it contended that the conditions are so dissimilar that the rule places a disproportionate amount of costs upon the passenger service and is thus vitiated as a method for the separation of costs for rate-making.

THE FUEL AND POWER RULE

The Long Island dissimilarity from the ordinary railroad appears in two principal respects. First, the freight business is conducted wholly by steam, while the passenger service is operated to a large extent by electricity and the commutation business almost wholly by electricity. Consequently under the "fuel and power" rule there would be included for freight only the cost of coal as delivered to the locomotive tender, while for passengers there would be included besides coal the cost of power-house operation, interest and taxes on power plant, and the cost of sub-station operation. There would thus be a great disparity of cost elements in the relative charges for the two services. In the second place, the passenger service is largely metropolitan, which involves frequent stops and rapid acceleration to high speed: this requires much greater consumption of power than would be needed relatively on an ordinary railroad with less frequent stops and more even operation. Both the difference in the mode of operation in the two services and the large metropolitan passenger service, distinguish the Long Island strikingly from the ordinary railroad. The two factors work together to place a larger proportion of fuel and power costs upon the passenger service than would be the case on an ordinary railroad with both departments operated by steam, and without a heavy metropolitan passenger service.

The city presented an extensive statistical study to support its contention that the rules do not properly apply to the Long Island and that the reasonable basis of apportioning the common expenses consists of the total direct expenses of the two services. It showed that normally the relative proportions under the fuel and power accounts are practically the same as for the total direct expenses. By following the fuel and power rule the company charged 86 per cent of the common elements based upon this rule to passengers, while the city on the total direct expense basis charged 65 per cent; a difference of 21 points.

APPORTIONMENT BETWEEN COMMUTERS AND REGULAR PASSENGERS

After the separation of costs between freight and passengers, the next logical step was the separation of costs between the commuters and the regular passengers. The company at first claimed that it is impossible to separate the costs between the different classes of passengers because the same facilities are used throughout the day by all classes. It contented itself, therefore, to show merely that the passenger service as a whole was not bringing a sufficient return and that, therefore, the commutation rates should be increased. Later, however, it modified its position and claimed that it costs just as much to carry a commuter as a regular passenger; it thus presented the average cost per passenger mile as the measure of the cost per commuter mile. By showing that the average cost as computed by it is greater than the existing commutation rates, it claimed to have proved that the existing rates are inadequate and the proposed rates are reasonable.

The city contended, however, that the average cost is not the proper measure of the commutation cost, but that an actual separation of costs between the commuters and regular passengers was necessary. It emphasized especially the much greater *density* of the commuter compared with the regular passenger traffic. It claimed that the greater density produced much lower unit costs per passenger or per passenger mile; that the unit costs based upon the particular service was the proper measure of commutation rates. It made a special traffic analysis and worked out an apportionment between the commuters and regular passengers on the basis of the relative density of traffic. This apportionment was applied not only to operating expenses and taxes, but also to the return upon the property. This is a new phase of cost analysis which had never been previously worked out in any commutation rate case.

THE FAIR VALUE OF THE PROPERTY

Perhaps the greatest point of disagreement between the city and the company appeared in the matter of valuation. The company made a valuation of its properties on the reproduction cost basis without any deduction for depreciation. It claimed that the property was in first-class operating condition and had, therefore, incurred no depreciation whatever. It admitted no depreciation even though the specific units of property were certain to be retired within a few years. It included cars at values ranging from $9,000 to $15,000 when units of the same general type had been sold within a year at $350 or less per car. The right of way was valued on the basis of adjoining and adjacent land value, and was thus based upon the tremendous increase in land values which had taken place in the metropolitan district during the past five years. The company also claimed large amounts for general expenditures and going concern value.

The city of New York opposed the company's entire theory of value and set up its rate base along the lines determined by the Interstate Commerce Commission in the recent St. Louis and O'Fallon case. It started with the valuation made by the Interstate Commerce Commission as of 1916, plus additions made since, less retirements, and less further accrued depreciation; with a 12 per cent addition for working capital and going value. On this basis the city's valuation was $127,500,000 compared with the company's $265,000,000. The city contended that the state commissions could not adopt as "fair value" for fixing the rates on a particular class of *intrastate* traffic a larger sum than the Interstate Commerce Commission would use as the basis of interstate rates or for the recapture of excess earnings under the Interstate Commerce Act. This is the first case, therefore, in which the recent decision of the Interstate Commerce Commission has been applied to *intrastate* rate-making.

Apart from following the Interstate Commerce Commission's principles and methods established for general rate-making purposes, the city attempted to show also that the sum of $127,500,000 was in fact adequate to treat fairly the investors in the property. It was sufficient to cover the $66,000,000 of bonds and interest bearing obligations and to leave $61,500,000 for the $34,000,000 of capital stock outstanding. Assuming that the capital stock represented actually a corresponding amount of investment, the city's valuation allowed an adjustment of 80 per cent for the higher present price level. This was offered as adequate to deal justly with the investors and to provide properly for the reproduction cost element in the determination of "fair value."

A special feature of the valuation involved the proper basis of valuing the right of way and other lands used for railroad purposes. The city objected especially to the adjacent land value method.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Secretary

Annual Meeting of Conference.—The annual meeting of the Conference will be held in New York City on November 9, 10 and 11 in connection with the annual meeting of the National Municipal League. Rooms for the meeting have been tentatively engaged in the Bar Association Building. The governing committee and the secretary are working on the program.

At the forenoon session on November 9 it is planned to ask the bureaus of municipal research to present written statements of their accomplishments during the past year and their plans for the coming year.

A luncheon meeting will be held on that day. The chairman and secretary will report, and any discussion not completed at the forenoon session will be continued.

For the afternoon session Francis Oakey of the firm of Oakey, Searle & Miller, accountants, has agreed to speak on "Fallacies and Foibles of the Research Movement." For this meeting also we plan a report on "Special Assessments" by Philip H. Cornick of the National Institute of Public Administration.

On Thursday, November 10, a round table is scheduled on the subject of "The Capital Budget." The round table will be in charge of C. E. Rightor, with discussion by A. E. Buck and other budget authorities. This round table will hold both forenoon and afternoon sessions.

On Friday November 11 we have tentatively scheduled a round table, with forenoon and afternoon sessions, on "State Supervision of Local Finance."

The National Municipal League is planning a round table session for Friday on "The Model Budget Law," which will be of interest to Conference members.

The Conference will probably have a dinner session on one evening and join on another evening with the National Municipal League at its annual banquet.

More definite plans for program and hotel accommodations will be announced by mail later. Members should reserve these dates and make plans to attend this annual meeting, which we hope will prove to be the high water mark in the history of the Conference.

◆

Buffalo Municipal Research Bureau.—Harry H. Freeman, director, recently addressed the Lions Club of Erie, Pa., on the organization and work of a municipal research bureau. A committee of the club is engaged in stimulating public opinion in favor of the establishment of a bureau or the making of a survey of the city government, or both.

◆

California Taxpayers' Association.—The Association has published a report on *School Bus Transportation*. The report is issued by the educational commission of the Association, but the text and accompanying forms were prepared by the research department in collaboration with school officials and transportation authorities. The report contains a recommended system of accounting with sample forms for bus drivers' daily report, shop work order, property register, tire record, and several other phases of the whole school bus transportation problem. It is a valuable contribution to the subject.

◆

Taxpayers' Research League of Delaware.—In an address before the State Bankers' Association on September 1, Russell Ramsey, director of the League, pointed out that there has been the amazing increase in the cost of the state government in the eleven years from 1915 to 1923 of more than $6,000,000. It was $848,000 in 1915 and $7,336,000 in 1925. This is an increase of from $4.04 to $31.39 per capita compared with the average increase in other states of from $3.03 to $14.34 during the same time.

Mr. Ramsey contended too large a surplus is being carried in both the general and the sinking fund accounts and intimated taxes could be reduced by decreasing these surpluses. He recommended more advanced forms for the budget system and a careful study of the entire financial system of the state.

As a result of the address, a committee of the Association was appointed to act with the League in the study of the fiscal problems of the state government. Problems specifically enumerated in the resolution include accounting and reporting methods, budget procedure, accumulation of administrative surplus funds, sinking-fund policies, sources of revenue, taxation, equitable assessments, and debt policies. The purpose of this study as stated in the resolution of the Association is to formulate and propose in advance of the next session of the General Assembly a comprehensive and modern finance code for the state. The work of the League for the next few months will be mainly that of gathering and digesting information to serve as a basis for study by the committee of the Bankers' Association, and to draft a finance code for the state based on the conclusions reached jointly by the Association and the League.

*

Detroit Bureau of Governmental Research.—The Bureau has completed a new audit of the special assessment sinking fund of Detroit and an examination of the collection procedure. The audit required mathematical calculations on many thousands of separate assessment rolls, but was necessary to determine the speed with which a deficit of nearly three-quarters of a million dollars was being reduced. Incidentally it was pointed out that delay in advertising special assessments was causing large losses in sinking fund earnings, a situation now substantially improved.

A report on the teachers' retirement fund has been submitted informally to the chairman of the pension committee for his criticisms. The study showed an actuarial deficit of about $8,000,000, which sum seems impracticable to make up. The Bureau, therefore, contented itself with recommending that moneys contributed by teachers and returnable to them on resignation be held intact, and that funds be made available to pay present pensioners until their death.

The Bureau has been coöperating with Police Commissioner William P. Rutledge of Detroit in a move for securing uniform comparable statistics of major crimes from all important cities. The International Association of Chiefs of Police has authorized the appointment of a committee to this end and a three-year program of work has been prepared.

Detroit sold on September 15 bonds in amount of $19,040,000. Through coöperation with the Bureau the term of school and library bonds totaling $4,500,000 has been reduced from 30-year term bonds to 30-year serials and now to 25-year serials. It is hoped that this is a step towards an eventual pay-as-you-go plan for schools.

At the request of county employees, the Bureau drafted a county civil service proposal which was substituted for several measures then before the state legislature at the recent session. The substitute measure which was passed embodies in many respects the best modern ideas on merit legislation.

As members of a committee of the Board of Commerce, staff members of the Bureau joined in a thorough investigation of the conditions under which the city was to allow an international bridge to be built. It is believed that some modification of terms resulted, but many informed citizens still feel that the city relinquished certain rights that should have been retained.

Following the preparation of bonded debt data for 214 cities as of January 1, 1927, published in the NATIONAL MUNICIPAL REVIEW for May, the Bureau is now making its usual collection of tax rates and assessment ratios for these same cities.

Staff members have recently made field studies on assessing and debt in Buffalo for the Bureau of Municipal Research; on public works and finance in Miami and Coral Gables, Florida, for Gaylord C. Cummin, in charge of a survey; and of road financing for the Taxpayers' Association of St. Louis County (Duluth), Minnesota.

Recent Bureau publicity covers *The Preparation of a Long-Term Financial Program* by C. E. Rightor, published by Municipal Administration Service; "Are We Spending Too Much for Government?" by Lent D. Upson in the NATIONAL MUNICIPAL REVIEW; and "The Cost of Government in Detroit" and "The Bonded Debt of Detroit" issued as *Public Business*, Nos. 111 and 112.

W. D. S. Negovetich, for many years with the Bureau, but for some months on sick leave, died in Clearwater, Florida, on August 12. Mr. Negovetich was educated in the universities of Vienna and Gratz, and had an interesting career with the French Panama Canal Company and as a miner and merchant in Mexico. He became an accountant for the Bureau in 1917, after the Mexican revolution made further trading activities impossible.

*

Taxpayers' League of St. Louis County (Duluth).—The study of county affairs continues to be the most important assignment. Two bulletins published on August 3 and August 30, respectively, covered some of the work, but the chief efforts have been devoted to the accumulation of evidence for the grand jury investigation which will begin September 6. The services of special accountants were required in this work for a few days. The county attorney's office has taken hold of this matter in a pleasing manner and the League is coöperating with the attorney in every way.

The League employed the services of C. E. Rightor, chief accountant of the Detroit Bureau of Governmental Research, to survey the present accounting procedure in the county road and bridge fund and to suggest certain steps that can immediately be taken toward improvement. The staff of the League has been so close to this problem for such a long period that a proper perspective was almost impossible. Mr. Rightor's report will be mailed to the directors within the next few days. It is believed that many of his recommendations can be put into immediate effect through the coöperation of the county auditor.

The classification of civil service positions in the library service has been completed and is now awaiting the approval of the civil service commission.

A study of hospital costs and the results attained in other cities with part pay and part free hospitalization has been begun for Mayor Snively, who will soon announce a citizen's committee to handle the Miller Hospital Fund.

⁂

Municipal Reference Bureau, the University of Kansas.—Orin F. Nolting, formerly secretary of the Bureau, is doing graduate work at Syracuse University, where he holds a fellowship in public administration in the School of Citizenship and Public Affairs.

The Bureau has recently compiled a list of 140 colleges and universities offering courses in municipal subjects together with the name of the instructor and the name of the course.

In coöperation with the Bureau for Research in Municipal Government of Harvard University, the Bureau is preparing a report on the organization and activities of the twenty university bureaus of municipal research in the United States.

⁂

National Institute of Public Administration, New York.—Work is in progress on the report for the Joint Committee on Taxation and Retrenchment of the New York State Legislature. The report is to be a study of the fiscal relations of city governments and city school authorities. It will be carried out by the Committee in coöperation with W. P. Capes of the New York State Bureau of Municipal Information and with the New York State Department of Education.

On the invitation of the American-Yugo-Slav Society, the National Institute of Public Administration is sending Dr. Charles A. Beard to Yugo-Slavia this coming winter to make a study of the government administration of that country.

Francis Oakey of the firm of Searle, Oakey and Miller of New York has been appointed by the Governor of Virginia to devise the new accounting system for the state in accordance with the recommendations in the survey made this year by the Institute.

⁂

The Ohio Institute.—The Ohio Institute is undertaking a study of financial school statistics for the Ohio State Teachers' Association.

⁂

Philadelphia Bureau of Municipal Research.—The Philadelphia Bureau announces the addition to its professional staff of Gustav Peck, who will do work in public finance. Mr. Peck is a graduate of Columbia College and has done graduate work in economics at Columbia University, and at the Robert Brookings School in Washington. Before completing his graduate work Mr. Peck had been employed by the New York Telephone Company in the department of commercial engineering and had also been an assistant professor of economics at the University of South Dakota.

⁂

St. Paul Bureau of Municipal Research.—In August the Bureau issued a report on the Ramsey County road and bridge fund. In this report the Bureau recommended a four-year road building program and further recommended that the annual appropriation be kept within a definite settled figure.

A report was also made on a proposed bond issue. The St. Paul council is submitting a $3,925,000 bond program. After analyzing all of the issues, the Bureau recommended to the people that all of the proposals be defeated at the polls. This organization further pledged itself to coöperate in the preparation of a definite coördinated improvement program.

A letter to the County Board, asking it to reject all bids on a county road, to return the bids unopened, and to readvertize the project because the officials had failed to include concrete as one of the types of road material to be bid upon, was adopted as the Board's final decision.

NOTES AND EVENTS

EDITED BY RUSSELL FORBES

The New Buffalo Charter.—On August 29 Buffalo voted to abandon its commission charter in effect since 1916 and to install in its place a new strong-mayor charter. The total vote was 53,041; 32,079 for and 20,962 against the new charter, only about one-third of the eligible list voting.

The new government will consist of a mayor and fifteen councilmen. Six are to be elected at large and nine from districts. The mayor with the consent of the council will appoint all heads of administrative departments. The new charter brings back partisan elections.

In adopting the new charter Buffalo took advantage of the home rule constitutional amendment and exercised the power given it therein.

The charter revision committee in submitting the new charter said that "It contains so many limitations of power, so many checks on the misuse of power that only downright dishonesty of the public officials called upon to administer can mar its operation." Would it were possible to draft such a charter—proof against all inefficiency and mismanagement and marred only by pure dishonesty!

◆

American Legislators Association.—To increase the efficiency of the legislative bodies of the United States is the aim of the American Legislators' Association which is allied with the American Bar Association and met on the days immediately preceding the latter's recent convention in Buffalo.

The chairman of the association presented the outline of a very elaborate plan for improving legislative bodies. He listed six main objectives as follows: (1) a central office to act as the clearing house for legislative reference bureaus; (2) the central office to be able to refer all legislators or legislative reference bureaus to a source offering the desired information; (3) publication of a periodical; (4) holding an annual meeting of legislators; (5) holding a meeting of representatives from all legislatures to consider proposals of the commissioners on uniform state laws; (6) appointing committees to deal with important legislative subjects. However, the chairman admitted the wisdom of beginning on a smaller scale and proposed during the coming year that the association act as a committee of the whole and attempt to formulate a few principles tending to increase legislative efficiency.

◆

Union of Saskatchewan Municipalities.—The twenty-second annual convention of the Union of Saskatchewan Municipalities was held June 22. Among the problems considered were the gasoline tax, care of the sick and indigent, training for municipal service, construction and maintenance of roads, the fields of taxation and division of administrative responsibility.

◆

Scoring Fifty-Seven Cities in New York State.—In a recent article in the *American Journal of Public Health*, Huntington Williams, district state officer of the state health department of New York, discusses the recent scoring of New York cities. Since December, 1918, all the cities in New York state except New York, Buffalo and Rochester have been scored periodically by Dr. Charles C. Duryee, consultant in city health administration in the state department of health. From February, 1925, to March, 1926, fifty-seven second and third class cities were visited and scored. The main object was to stimulate city officials by calling attention to necessary activities and by arousing competition. Two forms were used in scoring the fifty-seven cities; one for cities over 25,000 and one for those less than 25,000. As a rule, the greater the expenditure was found to be, the higher the score. The scoring has resulted in some cases in increased appropriations, the adoption of important milk ordinances, the adoption of generalized public health nursing services, the chlorination of the water supply, improvements in communicable disease investigation and in local laboratory facilities, the establishment of venereal disease clinics, and the encouragement of city health officers in improvements in administration which have proved successful elsewhere.

◆

Recent Legislation in Illinois.—The legislature of Illinois which adjourned in June passed some laws that are of special interest. *A gasoline tax law* was enacted that imposes a two-cent tax on each gallon of gasoline, one-half of which is to go into the state road fund for the county in which it was collected, to be used for road construction.

A new state primary act remedies certain defects in the old law that were pointed out by the Illinois Supreme Court and eliminates ward committee-men in Chicago.

Excess condemnation of property taken for public improvements was legalized. Several laws were passed that will make for *higher taxes*. One provided that property in Chicago is to be taxed hereafter at its full value instead of one-half of its value. This means that the bonding power of the city will be doubled.

✠

Popular City Manager of Durham, N. C. Resigns.—The city manager in Durham, N. C., after a most successful administration, has taken a novel step and has sent the following communication to the city council:

> *To the Council Members,*
> Durham, N. C.
> GENTLEMEN:
>
> After thorough consideration I propose to terminate my services with the City of Durham next year. It is my hope that the time of finishing certain incomplete work will make it possible to resign not later than the end of the present fiscal year, May 31, 1928.
>
> Since I have come to this conclusion I see no good reason why those interested should be kept in ignorance of my intentions. Also to forestall any erroneous inferences it seems fair to state definitely that my conclusions in this matter are based upon my desire to promote the best interests of the council-manager form of government and the city manager profession and to further demonstrate that both are democratic in every sense of the word.
>
> It was my good fortune to be chosen as the first city manager of Durham in June, 1921. It has been an inspiration during the past six years to work with interested council members in establishing modern, business government in this city. The results speak for themselves. It will be my pleasure before many months have passed to give place to another city manager.
>
> Yours respectfully,
> R. W. RIGSBY,
> *City Manager.*

Mr. Rigsby feels that citizens in America prefer to choose a new executive after a limited number of years of service. He calls it "American tradition or custom" so he is giving the voters of Durham a chance to elect another city manager and he does not expect to be a candidate. Do the citizens of America prefer a change in office to the certainty of an efficient administrator? Mr. Rigsby seems to think that they do.

Crime in New York.—Statistics show that the number of violent crimes in New York has greatly decreased during the past year. Raymond F. C. Kieb, commissioner of corrections, attributed this decrease to a greater number of policemen, more rigorous prosecution and speedier trial of persons charged with crimes, and the operation of the Baumes Law.

✠

Montreal Typhoid Epidemic Traced to Milk Contamination.—Between March 1 and June 30 of this year, 4,755 cases and 453 deaths from typhoid fever were reported in Montreal. This epidemic, in proportion to population, is probably greater than that suffered by any other large city in the twentieth century.

The U. S. Public Health Service appointed an investigating board to determine if possible the cause for the typhoid outbreak. The board made a study of "(1) the typhoid records of the city of Montreal and other parts of the Province of Quebec for the period January 1 to June 18, 1927, and for previous years; (2) survey of the city water supply and sewerage system; (3) inspection of milk plants in the city and of milk receiving stations and dairy farms in the surrounding country; (4) collection by personal interview of detailed epidemiological histories of 203 cases selected so as to be fairly representative of all the cases occurring in the whole epidemic period; and (5) consideration of the adequacy of the locally operating health forces to cope with the situation."

The recent report of the board placed responsibility on the milk supplied by the Montreal Dairy Company, and completely absolved water and sewage which were thought at first to be responsible.

✠

Annual Convention of Canadian Tax Conference and Canadian Civil Service Research Conference.—The annual meeting of these conferences will be held in Toronto, Ontario, on October 13 and 14. The program on the first day will be held jointly with the National Tax Association (of the U. S. A.) which meets this year in Toronto, October 10 to 14.

An interesting program has been arranged which is in part as follows:

The Taxation of Mines and Mineral Properties.
Forest Preservation and Its Relation to Public Revenue and Taxation, by Fred R. Fairchild, Forest Taxation Economist, United States Forest Service.

Reciprocity in Inheritance Taxation, by Hon. Senator Franklin S. Edmonds, Chairman of the National Tax Association Committee on the subject.
Changes in Canadian Business Taxation During 1925–1926, by Hugh Macdonald, Solicitor, Canadian Manufacturers Association, Toronto.
Municipal Capital Financing, by George H. Ross, Commissioner of Finance, Toronto.
Some Phases of Civil Service Administration in Saskatchewan, by P. G. Ward, Provincial Civil Service Commissioner, Saskatchewan.
Municipal Civil Service Administration, by Harrington Place, Engineer, Detroit Bureau of Governmental Research.

*

State and Local Taxation.—Inspired by the recent report of the National Industrial Conference Board on comparative tax rates, *the Christian Science Monitor* made a comprehensive nation-wide survey. State and local taxation in each of the forty-eight states was discussed in a series of articles which appeared daily from July 12 to 28.

*

Publication on Local Government to be Issued in England.—The London County Council, the Association of Municipal Corporations, and the Rural District Councils Association, having affiliated themselves to the International Union of Local Authorities, which has its centre at Brussels, have formed a standing committee for England and Wales of representatives of the three bodies mentioned. The chairman of the committee is Councillor W. F. Marchant, O. B. E., L. C. C., and the secretary (by permission of the Minister of Health) is Mr. G. Montagu Harris, O. B. E., Ministry of Health, Whitehall, London.

The function of the standing committee will be to act as the intermediary between the local authorities in England and the international centre at Brussels, for the purpose of exchange of information on matters connected with local government. The committee has obtained the cordial support of the secretaries of the various technical organizations concerned with the different spheres of municipal activity and this will greatly assist them in collecting information as to developments in this country, which are likely to be of international interest. It is proposed to disseminate the information received from abroad, mainly by the publication of a periodical to be called *Local Government Abroad*, the first issue of which will appear soon.

The committee is also arranging for the representation of local authorities in England and Wales at the International Congress of Local Authorities, which is to be held at Seville in October, 1928, in connection with the Spanish-American Exhibition.

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A number of colleges and universities used our Model State Constitution last year to the satisfaction of themselves and their students. Its usefulness is increased by the addition of the following explanatory articles:

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THE LEGISLATURE	*By* H. W. Dodds
THE JUDICIARY	*By* W. F. Dodd
THE BUDGET	*By* A. E. Buck
THE COUNTY	*By* R. S. Childs

The authors need no introduction to political scientists. Each is a member of the League's committee on state government and has shared in the committee's deliberations throughout.

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LEAGUE'S BUSINESS

One Hundred Thousand[1] Pamphlets Distributed in Three Years.—What happens to League pamphlets after they leave the office cannot be precisely determined. At any rate, in the past three years 100,015 of them have been mailed, 33,526 free as propaganda, 66,489 at cost price in answer to requests. The stamp account shows that the orders have come from every state in the union and from thirty different foreign countries.

The demand varies with the different pamphlets. *The Story of the City Manager Plan*, written by R. S. Childs, which is used in charter campaigns, is by far the best seller. During the past three years 3,333 given away stirred up sales of 44,000. Since the booklet was first published 107,000 copies have been distributed.

The *Model State Constitution* comes next in popularity. Four hundred and seventeen given away brought in orders for 4,200. These are used by classes in a number of universities and colleges.

Outlines of Responsible Government, edited by Edgar Dawson, which was broadly distributed to high school teachers (2,213 given away and 2,005 sold) was exhausted by May, 1926. Another edition is under consideration.

A New Kind of County Government, written by Herbert Quick to call attention to the way county government is operating in most states, was sent without charge to 6,000 county organizations, officers and civic leaders interested in county affairs. As a result 1,959 requests for the booklet on a cost basis exhausted the edition by October, 1926. *The County Manager Plan*, by R. S. Childs, has now taken the place of *A New Kind of County Government*, and during the two years it has been in print 3,578 copies have been given away and 970 sold.

A Model City Charter comes next. Six hundred and seventy-four were given away to members of local committees and 737 were sold. This pamphlet was out of print for several months preceding the completion of the revised edition. It may be of interest to note here that 10,000 *Model City Charters* have been distributed since the publication of the first edition of this document.

Copies of forty-nine miscellaneous pamphlets and books were distributed during the same period in the following quantities: free 17,311; sold 12,618; total 29,929. These complete the total distribution of 100,015 during the period falling between April 1, 1924, and April 1, 1927.

Hundreds of high school and college students, coming voters, through use of our pamphlets have learned the principles of government which we advocate. City, county and state officials have consulted our books and reports; a steady inpouring of 250 to 450 inquiries a month have been answered. Newspaper editorials have called attention to the principles advocated in selected pamphlets, portions of other pamphlets have been reprinted in weeklies, monthlies and dailies, and not infrequently we receive requests for permission to publish entire documents. All recently published readings on governmental questions for use as college textbooks include League publications.

This educational phase of our work is conducted by Grace R. Howe, Assistant Secretary of the League, to whose untiring energy and good judgment its large measure of success is due.

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[1] These do not include the technical supplements sent out during the same three years to members of the League with the NATIONAL MUNICIPAL REVIEW.

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MUNICIPAL REVIEW

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EDITORIAL COMMENT

The October REVIEW was already in press when John F. White resigned from the Indianapolis civil service commission, else his article in that issue would have carried a different concluding paragraph and the title, "Indianapolis at Last Tries the Merit System" would have been changed to a less optimistic note. The occasion for Mr. White's resignation was the mayor's overt and provocative disregard of the merit system principle in the discharge of the chief of police and the appointment of another in defiance of civil service rules. Now Mayor Duvall stands convicted by a jury for selling patronage in return for campaign contributions and again the people of Indianapolis find themselves betrayed. The mayor's broken pledge to introduce the merit system is one reason why the Hoosier city has gone city manager.

*

As explained by Mr. Purdy in this number of the REVIEW, New York City is proposing to utilize the power of excess condemnation in connection with street openings as a means of building tenements to rent for $8 per room. The state law providing for limited dividend companies with power of eminent domain contemplates a rental for Manhattan of $12.50 per room per month, and what Mayor Walker intends to accomplish is nothing less than a direct subsidy to those who will be fortunate enough to become tenants of the apartment houses erected on the city owned land. Mr. Purdy justly condemns this unwise venture.

*

The thirty-third annual meeting of the National Municipal League, to be held on the 10th and 11th of this month in New York, promises every success. Practically all the sessions will be in the form of round tables to enable intimate discussion of topics close to each particular member's heart. The program appeals to a variety of tastes. Topics of municipal finance, budget making, criminal justice, the slacker vote, control of public opinion, and university instruction in municipal government are included. Printed programs were mailed last month to all members and special invitations have been issued to a goodly number of public officials and citizens' organizations.

Anyone interested is cordially invited to attend any round table. A program with formal invitation will be mailed on request. But an interest in the subject is the only ticket of admission you need. Sessions will convene at 10 A. M. and 2 P. M. on Thursday and Friday, November 10 and 11, at the Association of the Bar, 42 West 44th Street, New York. On Friday there will be a general luncheon at the City Club, 55 West 44th Street. It will be followed by the annual business meeting of the National Municipal League.

*

Charges of Government Waste Overdone Writers in popular magazines and speakers before business men's clubs have been gaining easy applause by eloquent attacks upon the "unconscionable wastefulness of local government." Quite ready to concede that Coolidge economy is benignly at work in the federal government, they are summoning business men to a revolt against state and local tax burdens, declaring in the words of Roger Babson "what we save at the spigot we waste at the bung." Seldom do they refer to the purposes to which state and local moneys are devoted. Frequently they omit the simple decency to mention the shrunken dollar, in the light of which 50 per cent of the post war increases melt away. Government, as distinct from candidates for office, has few friends and public speakers and writers like to play upon the tax nerves of big business.

It is therefore refreshing to find a writer in *The Magazine of Business* with the courage to ask what did we buy with the money spent by the states and localities. Was it worth the cost? Could we have gone without it and have lived more cheaply? In some respects the author's answer wavers. He complains that the clerk, the barber and the truckman have not yet learned that a hydrant and a highway, a street light and a post office are reflected in the grocery bill. But the expenditure for roads he feels has been justified, even although it has involved huge borrowings. How else could the automobile industry have reached its present proportions? Taxes for roads are approved, therefore, as a subsidy to business. Isn't it possible that those taxes which result merely in more health and happiness are indirect, but nevertheless real, subsidies to business? Perhaps local government has not been on a spending spree after all.

In an effort to throw some light on the question, the REVIEW has been running a series of articles on "Are We Spending Too Much for Government?" Each one has been prepared by a writer of unquestioned scientific competency. The verdict is more friendly to government than we are accustomed to hear. If you have not done so already, read the articles and give government a rehearing. You may have been doing her wrong.

*

New Jersey Voters Approve Zoning—Reject Term-Extender In a special election in September the voters of New Jersey passed upon five constitutional amendments, accepting Amendment No. 1 which legalized zoning, but rejecting all others. Both parties endorsed the zoning amendment, but the Democrats bitterly opposed the other four because one of them sought to extend the term of governor from three to four years, bringing his election in presidential years. The same amendment also increased the term of senators from two to four years, and of assemblymen from one to two years, but provided for biennial meetings of the legislature instead of the present annual sessions.

While there was considerable support for the longer terms for the legislators coupled with biennial sessions on the ground that the open season for legislation would be reduced by one-half, the real fight turned about the term-extender. Today the New Jersey Republicans have little difficulty in electing a legislature, but they have been less successful with their candidates for governor. Throwing the gubernatorial election into the presidential year, therefore, seemed good party tactics, because in such years the organization can utilize those apathetic Republican voters who turn out for nothing less than a presidential contest. Torn by factional disputes, the Republicans do not at the moment present the same united front as the Democrats marshalled by influential bosses.

Crying that the term-extender was a cheap political trick, the Democrats counseled their followers to vote Yes on the first amendment (zoning) and No on all others. Thus three amendments which possessed considerable merit failed without serious consideration by the voters. The defeat of the four amendments is traced directly to the negative vote in Hudson county, Mayor Hague's bailiwick, which returned a sufficient number of Noes to overcome the small majority of Yeses in the rest of the state. Hague is the strongest single boss in New Jersey, having attained his position in the short space of eight years in politics, and will doubtless continue his success in placing Democratic governors in office now that the bogy of the presidential year is out of the way.

The text of the zoning amendment adopted is as follows:

> The legislature may enact general laws under which municipalities other than counties may adopt zoning ordinances limiting and restricting to specified districts and regulating therein buildings and structures according to their construction, and the nature and extent of their use, and the exercise of such authority shall be deemed to be within the police power of the state. Such laws shall be subject to repeal or alteration by the legislature.

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Two New York Transit Reports

The long suffering people of New York City have recently been confronted by two plans for transit relief representing antipodean viewpoints respecting the five-cent fare, so dear to the hearts of city officials since Mayor Hylan revealed its political possibilities. The first report was prepared by Samuel Untermyer for the transit commission, the other by C. E. Smith of St. Louis for City Controller Charles W. Berry. The first is a polemic for the continuance of the five-cent fare; the second is just as surely opposed to it and announces the just fare of the future to be four tickets for a quarter. Mayor Walker has announced that he believes in the nickel fare and is against the Smith report. The controller has indicated that he has confidence in the Smith report and will support the higher fare.

But the choice between the two reports involves more than a difference in fares; it raises fundamental questions of fact and municipal policy. As to the facts, there is the question whether the surface and the elevated lines are largely obsolete, with little or no value for future transportation requirements. As to policy, there is the question what the city could afford to pay even for obsolete or partially obsolete properties to effect a complete unification and to eliminate all possible obstruction in planning for the future. There is also the question whether this system should be owned and operated by the city, or by a department or corporation controlled by the city, or by a private corporation under an agreement with the city.

The Untermyer plan is predicated upon the assumption that there is a large degree of obsolescence on the part of the surface and elevated lines, and that these properties could not be acquired through negotiation and incorporated in a plan of unification without including valuations exorbitant from the public standpoint. Consequently he recommends that the city proceed with the "recapture" of its own subways leased to private companies, and then operate the recaptured lines in connection with the new subways now under construction. He would thus establish a city-system which would include most of the subways and would be expanded through construction or purchase as conditions may warrant in the future. The basis of immediate acquisition is contractual; the valuations are definitely fixed in the rapid transit contracts, so that there would be no negotiations and no disagreement over valuations. The operation would be on a public basis, and would eliminate completely the private companies from future transit considerations.

The Smith report proposes a complete unification of all the transit properties in the city; subways, elevated, surface lines, also buses coördinated with the surface lines. He does not find any substantial obsolescence in the surface and elevated lines and sees no special difficulty in the way of agreement between the companies and the city on reasonable valuations. He would have the properties operated by a private company; at the start by the two rapid transit companies now operating the city subways.

Mr. Smith would have a flexible fare high enough to pay operating expenses, maintenance, depreciation and return on the entire valuation upon which the system might be based. He estimates that a basic seven-cent fare would be sufficient. Mr. Untermyer recommends a fixed five-cent fare which he considers adequate to cover the full cost of service including a return on the entire valuation of the initial recaptured system. It would not be sufficient, however, after the new subways come into operation; then there would be a deficiency for about ten years, which would be borne by the taxpayers.

From the public standpoint the question is to what extent are the surface and elevated lines obsolete, and can reasonable valuations be obtained through negotiation and agreement. Can complete unification be obtained without excessive cost to the public? Is partial unification more desirable because it is attainable at moderate valuations? Will operation be more efficient under private than public management? These are questions that cannot be answered off-hand. Unfortunately neither report furnishes adequate data for conclusive answers.

CIVIC EDUCATION BY RADIO

BY FRANCIS E. TAYLOR

Director, Bureau of Broadcasting, New York University

New York University conducts a successful experiment in the use of radio for civic education. :: :: :: :: :: :: ::

Seven years ago the first attempt was made to synchronize voice vibrations with the discharge of electric energy, from an improvised studio in a radio engineer's garage, and broadcasting had its first day in the United States. Since that time, broadcasting has leaped from an obscure novelty to a profession numbering thousands in its employ. Over seven hundred stations now pour their messages—good, bad, and mediocre—upon the overburdened air. Sixty-one of these are in New York alone; Illinois has sixty; California has fifty-two; Pennsylvania and Ohio follow closely with forty-four and thirty-four, respectively. Nevada is the only state without a broadcasting station.

What is being done with radio as a medium of education? American colleges and universities have not been slow to see its potentialities, though comparatively few have made determined efforts to adopt it as an adjunct to regular college work. England spent almost two years in investigation of broadcasting before it was generally introduced. But the educational features of radio in England are in advance of those generally provided in the United States. The conservative Sorbonne is planning radio courses for credit, while the polyglot states of the continent have for several years utilized radio as a nationalizing process, particularly in popularizing the national language. Comparatively few universities in the United States have attempted any definite radio program for civic education. As far as known, only nine have attempted to make use of radio in this way. There is a constant apprehension both on the part of universities and the radio stations of being charged with political propagandizing. A few municipalities have sought to humanize their many government departments and boards by showing the work they do and the manner in which it is done. The city of St. Louis has carried on interesting civic education of this nature. The outstanding example is WNYC, the broadcasting station maintained by the city of New York.

A HELP IN AMERICANIZATION

Radio seems to offer promise, educationally, in the Americanization of our foreign-born population. An experiment of this kind was conducted this year in New York City by the Extension Division of New York University in coöperation with the Council on Adult Education for the Foreign-born. New York is an ideal laboratory. Over 2,000,000 naturalized foreigners reside in New York City alone; 50 per cent of the total population of New York City is either foreign-born or of foreign extraction; while in the surrounding territory, in New Jersey, great concentrations of foreign-born provide a group within the potential broadcasting area of New York stations of over 4,000,000.

The Bureau of Broadcasting of New York University arranged a series of addresses by Americans of foreign birth who have achieved distinction, as an incentive to others of their own nationality who are seeking success in their newly adopted country. The speakers dealt with the problems facing the immigrant, all based on their own experiences, and thus furnished examples of how success has been won, in many cases against most adverse circumstances, and in almost all cases from poverty or obscure birth. Representatives of six nationalities addressed the radio audience at three-week intervals from the February to May term over Station WOR. The speakers were Senator Robert F. Wagner, Walter Damrosch, Edward S. Witkowski, Antonio Stella, Michael I. Pupin and Adolph Lewisohn.

HALL OF FAME ADDRESSES

Concurrently with this series, the University presented a series of talks on native-born Americans who have achieved prominence during the past century. This series was given in connection with the Hall of Fame, an endowed institution allied with New York University, whose purpose is to perpetuate the memory of famous statesmen, educators, inventors and authors. These talks were given in the form of birthday commemorations by men who are prominent in the same field as the subject of their discourse. Six statesmen and educators whose birthdays were so commemorated throughout the spring months were Mark Hopkins, Emma Willard, John Lothrop Motley, James Madison, Henry Clay and Samuel F. B. Morse. Radio addresses were delivered by George E. MacLean, one of the few living pupils of Mark Hopkins, and former president of the University of Iowa; Eliza Kellas, principal of the Emma Willard School; Stephen P. Duggan, director of the International Institute of Education and leader in the Netherlands Society; George Gordon Battle, a Virginian, and prominent lawyer in New York City; Henry Breckinridge, a Kentuckian, and former assistant secretary of war; and Robert Underwood Johnson, former ambassador to Italy and at present director of the Hall of Fame.

It is impossible to estimate the value of the series; this may be great or small. It is an experiment pointing toward the wider use of radio as a vehicle of civic education.

INDIANAPOLIS MAYOR FACES JAIL SENTENCE

BY MAURICE EARLY

The Indianapolis Star

For the first time the teeth in the Indiana corrupt practices act bite a politician. :: :: :: :: :: :: :: :: ::

Another chapter has been written in the weird story of municipal politics in Indianapolis. John L. Duvall, the last elective mayor, is under sentence to serve thirty days in jail and pay a fine of $1,000.

The things that were revealed in his ten-day trial in the Marion county criminal court which ended with a verdict of guilty on September 22 merely confirmed the suspicions of the public. It was revealed that Duvall made a secret deal with the Ku Klux Klan in order to get the support of the hooded order. He agreed in writing to give that order 60 per cent of his appointments and to take no orders or directions from any other group or organization, according to the testimony of Klansmen, including the minister of one of the large churches.

But Duvall was not convicted for making a deal with the Klan. That evidence was merely thrown in his trial for good measure to show intent. The specific charge against the mayor, for which he was convicted, was that he made a bargain with a political boss prior to the election of 1925 to sell out the board of public works for the sum of $14,500. After the election, so the evidence of the state showed, Duvall decided not to go through with the deal. He called in the boss and gave him back $12,000.

MAYOR'S UNPOPULARITY CONVICTS HIM

The corrupt practices act of Indiana under which Duvall was convicted is a very stringent law. Although it has been on the statute books since 1913 it is grossly violated in virtually every campaign. Duvall is the first official to have it visited on him.

One of the things that the corrupt practices act prohibits is the making of promises by a candidate. Of course, it is a matter of general acceptance that candidates do make promises during campaigns. Heretofore this has been winked at and no indictments ever have been returned against officials for using sharp practices to get office.

To understand the conviction of Duvall it is necessary to have some idea of the scope of the political unrest in Indiana due to the tidal wave of scandal following the Klan movement.

At no time was Duvall a popular candidate. In politics he is a creature of the Klan. Certainly he held no high place in the councils of the Republican party. Therefore his popularity, to the degree that he had any, rested within the Klan membership.

As soon as Duvall was elected and before he took office in January of last year it became apparent to the Klan that Duvall was not going to deliver. His appointments showed that he was giving more heed to the desires of others, particularly George V. Coffin, Republican county chairman. It must be understood that Coffin, although he played with the Klan in 1924 and gained control of the Republican organization by using the Klan, had become distasteful to the hooded order by the time the mayoralty election came around.

All of this is recited to show that Duvall, having virtually no political or personal following, alienated the one group which made his election possible. Before he took office he made public the personnel of important boards and then changed them. The public soon discovered that Duvall either did not know what he was about or that he had many masters and was forced to listen to the last that got to him. In addition to this Duvall placed a number of his relatives in key positions in the city hall.

It is safe to say that Duvall throughout the twenty-one months of his administration has done nothing to win any popular acclaim. Therefore the greatest crime that Duvall has committed, from a political point of view, is the high crime of being unpopular.

FOUR CITY OFFICIALS UNDER ARREST

There are countless examples of scamps and demagogues in public office who are able to "get by" with the public and grand juries because of their ability to win popularity. When it comes to winning any degree of popularity Duvall is a big, round zero. In this respect the majority faction of the city council is in the same boat with Duvall. The majority of the members of the city council are likewise creatures of the Klan.

The references made to the Klan might leave the inference that the Duvall administration has been objectionable because of an intolerant attitude towards religious and racial groups. That is not the case. At least that charge is not being made against the Duvall administration. Except for the passage of a segregation ordinance, prohibiting negroes from living in sections populated by whites, there has been little to indicate that the administration was concerned about religious or racial matters.

Incompetency, instability and graft are the charges made against the Duvall administration in the popular mind. Four city officials are under arrest as this is being written and a grand jury is searching further into the things that are going on at the city hall.

These things may explain why a movement of citizens was started last spring which culminated in the adoption of the commission-manager form of government in Indianapolis at a special election June 21 by a vote of more than five to one. Under the law of Indiana this new form of government will not become operative until January, 1930.

MAYOR FELL IN BARRAGE AGAINST K. K. K.

In all probability Duvall would not be under the shadow of a criminal conviction now if it were not for the general barrage being laid down against "super-government" in Indiana. The spark was tossed on the powder can one year ago by Thomas Adams, Republican editor of a newspaper at Vincennes, Indiana. Adams made charges against state officials, members of congress and city officials, based on communications he obtained from D. C. Stephenson, former grand dragon of the Klan, now a prisoner in the state prison for the murder of an Indianapolis girl. Stephenson had risen to a position of power in the Republican party by reason of his activities in the Klan. He was at the height of his power when he was dethroned by the murder indictment. He had spent large sums of money which he had made out of the Klan in assisting Ed Jackson to become governor of Indiana. Before his fall Stephenson was credited with saying, "I am the law in Indiana."

Little by little bits of information came from Stephenson and his former allies. This publicity set fire to the public imagination and the work of converting political scandal into indictments was started by the Marion county grand jury. The third grand jury is now at work. The trail of the grand juries' investigations went in many directions, one of them being to the affairs of Mayor Duvall.

Stephenson was arrested before the primary campaign in which Duvall was nominated. Therefore Stephenson and his faction of the Klan do not figure in the present troubles of the Indianapolis mayor. Duvall is charged with dealing with the so-called regular Klan which continued to hold allegiance to Hiram Wesley Evans after Stephenson had been deposed as grand dragon.

FATAL DEAL WITH ARMITAGE

As stated before, the Klan activities are merely a background in the Duvall case. His conviction resulted from the testimony of William H. Armitage, for many years a gambling house operator, and a political boss. Armitage was the power behind the throne in the administration of the late Lew Shank, which preceded the Duvall administration.

Shank during his administration as mayor had taken an anti-Klan position and therefore he and his associates were black-balled by the Klan.

Armitage opposed Duvall in the primary, but during the campaign sought to make deals whereby he could retain his hold on the board of public works which lets the contracts for public improvements. Secretly Armitage went to Duvall and gave him $14,500, according to the testimony. At the same time Duvall was to denounce Armitage in public, but was to receive his support in the negro wards.

As soon as the votes were counted on election night Duvall, in company with his brother-in-law, William C. Buser, departed from Indianapolis and hid in a town in Illinois. From his place of seclusion Duvall began to announce the names of persons he would appoint to important positions in his administration. Political leaders of the different factions soon learned where Duvall was hiding and got to him. This resulted in his shifting appointments. Klan leaders got to him, Coffin found him and finally Armitage made a trip to Illinois. When he found Duvall the mayor elect told him, Armitage said, he could not go through with the deal. Later Duvall had Buser carry $12,000 to Armitage.

Duvall admitted on the witness stand that he accepted $12,000 from Armitage during the campaign, but merely did so in order to keep Bill in line. The mayor said he always intended to give the money back to Armitage after the election. He said he merely took the money to prevent Armitage making a deal with the Democratic candidate. But the jury of twelve men did not hesitate long in bringing in the verdict of guilty.

WHO SUCCEEDS IF MAYOR GOES TO JAIL?

Under the charter of Indianapolis the city controller succeeds to the office of mayor in the event of the death, resignation or removal of the mayor. Duvall had named his brother-in-law, Buser, to the office of controller. Just before the trial Buser was deposed and Claude Johnson, then chief of police, was made controller. Immediately after the conviction of Duvall another change was made in the controllership. Johnson was put back on the police force and Mrs. Duvall, wife of the mayor, was made controller.

As this is being written it appears that Mrs. Duvall will be the mayor in case the supreme court refuses to reverse the decision of the criminal court or in the event of Duvall's forced resignation. The action of the mayor in paving the way for the retention of the office by means of his wife has caused additional bitter criticism.

BIG BILL'S BUNKUM BALLS UP CHICAGO'S SCHOOLS

BY SPECIAL OBSERVER

The story of the prostitution of a city's public school system for shameless political ends. :: :: :: :: :: ::

EVER since the start of the political party campaigns in connection with Chicago's last mayoralty contest—the primary on February 22 and the mayoralty election on April 26 of this year—the Chicago public schools and its chief administrative officer have been before the country as a political issue. Many Chicagoans, as well as outsiders, have long pondered what "Big Bill" Thompson had in his mind when he turned his barrage of political bunkum on the schools. In most communities the school system is a subject "filled with dynamite," and one which politicians gingerly side-step. But in Chicago the politicians have considered the schools a legitimate part of their spoils domain.

Interested observers are asking these questions:

> Why was the superintendent of schools, William McAndrew, a man nationally recognized as an eminent educator and with a distinguished record of more than forty years in the public schools as teacher and administrator, made a political issue?
>
> Why was King George made a party to a campaign of purely local issues?
>
> How could McAndrew conceivably be considered His Majesty's "stool pigeon"?

These and related questions can best be answered by an analysis of the local situation. Chicago's schools have an aggregate enrollment in excess of 450,000 pupils. The total expenditures in 1926 were $66,317,992. Of this amount $40,466,154, or 61 per cent, was spent for educational administration, including teachers' salaries, salaries of civil service employees, fuel and light, interest, and supplies. Twenty-three million, nine hundred fifty-two thousand, four hundred and four dollars, or 36.1 per cent, was spent through the building fund, which included $21,409,949 for capital outlay on new buildings. The system contains more than 350 school units and employs about 12,000 teachers.

The system is controlled by a board of education of eleven members, each of whom is appointed by the mayor for a term of five years, subject to confirmation by the city council. The terms are staggered so that an incoming administration may find on taking office that a majority of the members were appointed by one or more of his predecessors. Such was the case when Thompson took office. His administration did not obtain full control of the board until the terms of three members had expired, one Dever appointee had resigned and the support of two members had been obtained through political negotiation. The board of education annually elects its own executive officers.

HOW MCANDREW CAME TO CHICAGO

In straightening out the tangle in the local situation it will perhaps clarify the subject to explain how Mr. McAndrew came to be appointed. When his predecessor, Peter A. Mortenson, announced his intention to resign, a number of men in the system aspired to be superintendent. As time went on the canvass narrowed to two men, each of whom had a host of friends both inside and outside the system. The pressure became so great and the agitation so persistent that the board of education came to the conclusion that to appoint either of the men would work havoc with the school system. It therefore reluctantly reached the conclusion that in the interests of the system the advisable course would be to obtain for superintendent a man free from all local and personal alliances and entanglements.

A committee of the board thereupon proceeded systematically to comb the country for a superintendent who would not only meet these requirements but would also qualify as an educator and administrator. Presidents of a score of teachers' colleges throughout the country were asked to submit in confidence the names of such persons. Twelve such responses were obtained and the name of McAndrew, who was then an associate superintendent of the New York City public schools, was on eleven of the twelve lists. Several of the leading possibilities were invited to address the board of education. One of these was Mr. McAndrew, who appeared before the board in December, 1923, and analyzed frankly and fearlessly what appeared to be wrong with Chicago's schools. Extended inquiry among McAndrew's professional associates in the New York schools concerning McAndrew the man and McAndrew the educator confirmed the opinion that he was the man for the position.

Mr. McAndrew was approached. At first he absolutely declined to consider the proposition. He did communicate with several of his friends living in the city in whose judgment he had confidence. Without exception they advised him to this effect: that Chicago's schools undeniably needed a strong administrator but that whoever undertook the task would be subjected to endless "grief." They urged him for his personal happiness and peace of mind not to accept.

Mr. McAndrew informed Mrs. McAndrew of this advice and his inclination to be guided by it.

"That settles it," she said. "We're going!"

OTIS LAW GIVES SUPERINTENDENT BROAD POWERS

The Chicago school system operates under the so-called Otis Law. This law provides that:

> The superintendent of schools shall prescribe and control, subject to the approval of the board, the courses of study, textbooks, educational apparatus and equipment, discipline in and conduct of the schools . . . , appointment, promotion and transfers of teachers, principals, assistant and district superintendents, and all other employees in the teaching force, shall be made, sites shall be selected, schoolhouses located thereon and plans for the same approved, and textbooks and educational apparatus and equipment shall be adopted and purchased by the board of education, *only upon the recommendation of the superintendent of schools,* unless it be by a two-thirds vote of all members of the board.

The law intends that the superintendent shall be the educational expert and administrator of the school system and that all matters involving educational policy and control of the teaching staff shall originate with the superintendent.

Mr. McAndrew immediately accepted the duties of the position at their face value. He undertook to work out in a systematic way plans which would place public education in Chicago on a par with the larger cities of the country.

What did he find when he took office? Several members of the board of education, appointed by Mayor Thompson during his previous administration, had recently been indicted for alleged graft and corruption in connection with school contracts. The appointees of Mayor Dever had been in office less than a year and were valiantly making headway in freeing the school system from the taint of political corruption.

McAndrew's predecessor had operated on the "unit" system, under which each school is a self-contained organization. In this way each school principal is largely responsible for the educational methods, standards and discipline of his school.

A considerable number of teachers in the elementary schools maintained an aggressive organization. This group through its business agent, Miss Margaret Haley, has for many years taken an active part in all school matters which affected the teaching force in any way.

MCANDREW BEGINS HUGE TASK

In brief McAndrew found a system in which political preferment went far in securing personal advantage and a woeful lack of administrative organization. He faced a teaching body which knew not discipline and for years was accustomed to exercise a considerable influence on both school policy and administration.

McAndrew grasped the situation firmly with both hands. His first step was to organize the educational department into five divisions, each with an associate superintendent in charge. Lines of responsibility were worked out. Teachers were made accountable to principals, principals to district superintendents and district superintendents to their respective associate superintendents. The associate superintendents, together with the superintendent, constituted the board of superintendents. This body was, in effect, the superintendent's cabinet and McAndrew submitted to it all matters affecting the educational department. In this way matters might be taken up with the superintendent only through the established channels. Teachers or principals with personal grievances could not thus go over the heads of their immediate superiors as had been the custom in previous years.

The practice was introduced of making appointments, promotions, selection of sites, adoption of textbooks, etc., stand on their own merit. Promotions in the system to department heads or principals were made on the basis of comprehensive competitive examinations. In certain appointments candidates from the entire country were invited to compete in the selective examinations.

Objective tests were introduced as a means of gauging efficiency of instruction. In other school systems standardized proficiency tests have long since been accepted as routine methods of measurement. Owing to local opposition the use of such tests was delayed in the Chicago schools. It was argued that they tended to "factoryize" the system, victimize the pupil and to limit too closely the professional initiative of the teacher.

The results of the city-wide application of such tests at the beginning of McAndrew's term gave results which were appalling to an educational expert. This naturally led to an insistence on increased attention to the three fundamentals: reading, writing, and arithmetic. That this campaign for increased accuracy brought results was shown by tests two years later.

Lack of an adequate staff made it impossible to provide a complete or an extensive explanation of the new methods to the teaching staff. The result was that tests, which to many teachers were unfamiliar, were not easily understood either as to design or purpose. The emphasis on results in the three fundamentals apparently produced a panic on the part of individual teachers and a tendency to continuous drill on the prescribed subjects rather than merely giving the subjects their normal place in the daily school program.

The superintendent accepted the report of an educational commission, named by the board prior to his appointment, regarding the desirability of installing junior high schools and the so-called platoon plan of operating schools. These types of schools have been adopted in other cities as highly desirable improvements in the educational scheme. In Chicago, however, a controversy, stirred up in large part by the teachers' federation, was marked by charges of "factoryizing" the schools and a systematic campaign of opposition to the adoption of either plan.

Many people consider McAndrew's chief contribution to the Chicago school situation his insistence on basing both original appointments and promotions on a merit basis. He reduced the element of political influence in appointments to a minimum. Within a year's time the number of attempts to use such influence dropped from 520 during one year to five instances for the ensuing twelve months' period.

HOW POLITICIANS REACTED

The following story will illustrate the reaction of the city hall politicians to McAndrew and his methods.

McAndrew maintained the open door policy and announced a standing invitation to any citizen to come to his office at any time for a discussion of matters relating to the schools. During a session of the board of superintendents a ward leader was announced as requesting a personal conference with the superintendent. McAndrew ordered the politician ushered into the room in which the board was in session.

"I want to speak to you in private," said the ward worker.

"Any business which you have with me concerning the schools is appropriate business for the board of superintendents," responded the superintendent.

"I want to see you about appointing Miss Blank a teacher," said the ward worker, taken aback by the new style of procedure.

"How's her apperception?" demanded the superintendent.

"Her what?" exclaimed the astonished ward worker.

"How is she on question distribution?" persisted McAndrew.

"I never saw her teach."

"What," demanded the superintendent in a voice raised above ordinary pitch in mock indignation, "do you mean to say that you come here recommending Miss Blank without having seen her teach? Sir, you insult me!"

Whereupon the ward worker hastily withdrew, considerably discomfited by the new emphasis in school appointments. He returned to the City Hall and reported to the boys:

"They've got a crazy man down there as superintendent of schools."

MCANDREW AS A POLITICAL ISSUE—ABSURD CHARGES

McAndrew was one of the chief points in Big Bill's campaign speeches. His denunciation of McAndrew and McAndrew's malign influence on the schools always brought Big Bill's audiences to a high point of enthusiasm.

Summarized briefly, Thompson's charges were these:

> That McAndrew was an outsider; that anyone of a score of Chicagoans

> could run the schools far better than McAndrew.
>
> That McAndrew was responsible for the removal from history textbooks of photographs of various heroes of foreign birth who had made important contributions to American history. Big Bill's list included Kosciuszko, Pulaski, von Steuben and even Christopher Columbus, the well-known Italian hero.

Big Bill would dramatically hold up a book with a page open to the picture of Washington.

"This is the book which the schools used when I was mayor," he would say. Then he would dramatically hold up another text showing several blank pages.

"Since McAndrew came they have dropped out Washington and many others of our national heroes."

> That McAndrew was the stool pigeon of the King of England for alleged pro-British propaganda.

Thompson's ringing denunciation of McAndrew and all his works always culminated in the vigorous assertion that as soon as Bill Thompson became mayor, McAndrew would be fired and would be sent back to New York City, where he belonged.

It is interesting to examine Thompson's charges in the light of easily ascertained facts.

Thirty-five years ago McAndrew was connected with the Hyde Park High School, first as teacher and later as principal. Hyde Park was then a village but is now in the very heart of Chicago's south side.

The history textbooks about which Big Bill complained, official records of the board of education show, were adopted by Thompson's own appointees several years prior to McAndrew's appointment.

The stool pigeon charge appears to be traceable to two circumstances. McAndrew wears a carefully cultured beard and bears a faint resemblance to His Majesty, George the Fifth. One of the British journals sagely remarked that it is not clear whether Big Bill is worrying over King George V or King George III. The second basis of this allegation is traced to a deliberate misreading of an editorial dealing with the painting "The Spirit of 1776," written by McAndrew as editor of the *Educational Review*. An enterprising reporter of a Chicago morning paper exhumed the editorial months after it had appeared in print and by a careful arrangement of quotations made it appear that McAndrew was a pacifist and advocated the removal from every American school room of the well-known historical painting. The reporter subsequently admitted that he wrote the story to "scoop" the rival morning sheet and that his industry had earned him a raise in pay.

An analysis of the state of the public mind is necessary to understand why Big Bill's charges, so absurd in the light of the facts, evoked a response in the campaign.

Chicago men for Chicago jobs, especially public jobs, is a strong local tradition. Undeniably McAndrew had been brought from New York to bring order out of chaos in the Chicago school system. McAndrew made no secret of his previous association with the New York system.

Chicago has a number of population groups which in voting strength and in political activity constitute important factors in municipal elections. The King George angle was calculated to overcome whatever political advantage Dever enjoyed with the Irish-American element by virtue of his own nationality and that of Boss Brennan and Martin J. O'Brien, his political sponsors. The Polish, German, Italian and even

Swedish groups appeared to be amenable to Big Bill's specious talk concerning the history textbooks.

TEACHERS' FEDERATION OPPOSES MCANDREW

To a considerable proportion of the voting public McAndrew was a symbol. In the early part of McAndrew's administration the public press had pictured him as one who had set the pace for the board of education, as one who stood for new-fangled methods of education and the one who had taken away from the teaching body the right which had been enjoyed for a number of years of meeting on school time ostensibly to discuss school affairs. McAndrew is Scotch. He is nobody's "yes man."

Soon after he took office the question arose as to the policy of closing the schools eight afternoons a year for meetings of teachers' councils. McAndrew held that it was unnecessary to close the schools; that this practice was unique to the Chicago system; and that the dismissal caused unnecessary waste of public money and pupils' time. A practice of several years' standing was therefore discontinued.

The teachers' federation made much of McAndrew's stand on this question and agitated unsuccessfully for a restoration of council meetings on school time.

McAndrew stood for eliminating outside activities, not directly concerned with school work, as distracting influences to a smooth educational program. Among the activities in which he refused to let the schools participate were: Boys' week, Girls' week, Monticello purchase, Old Ironsides collection, survey of twins, Johnny Appleseed day, Bible truck service, Eucharistic Congress, Leather week, Bloodless day, Style show, etc. His stand undoubtedly cost him much in personal popularity.

The blame for a number of matters, such as the installation of time clocks in the schools and the policy of junior high schools, the platoon school plan, etc., fell upon his shoulders. As superintendent, McAndrew promulgated the order requiring teachers and principals to register the times of their arrivals and departures which the board of education had adopted on the recommendation of a firm of efficiency engineers.

Every instance of opposition to the junior high schools and platoon schools can be traced to the organized activity of the teachers' federation.

McAndrew has a keen sense of humor and allows no opportunity to pass which can be turned into a humorous reference. Many persons who have had only a limited contact with him say that he is blunt and tactless. His friends explain his attitude by saying that he is keenly sensitive and that his apparent bluntness is a defense reaction against personal criticism. Whatever the explanation, one incident will shed light on an attitude which is widespread in the school system.

One of Chicago's high schools has a traditional salute for its distinguished visitors. As the guest enters the assembly hall, the student body arises en masse and stands at attention until the visitor is seated. The school takes pride in this custom.

It is reported that when McAndrew first visited the school, the student body arose according to custom. "Oh, be seated," he is reported to have said. "I am not the Star Spangled Banner!"

OBSTACLES TO FIRING MCANDREW

Big Bill's campaign pledge to fire McAndrew encountered several practical obstacles. He first had to obtain a working majority on the board. A Thompson henchman, J. Lewis Coath, was elected president. Coath organized the board by appointing to the important committees the Thompson appointees and such Dever appointees as agreed to go along with the new administration. The Dever appointees who refused to do Coath's bidding were appointed to a single committee, that relating to public health and sanitation. Both subjects are important, but do not involve the instruments which give spoils politics its primary impulse.

Another obstacle was the fact that McAndrew had been employed for a full statutory term of four years. His contract does not terminate until January 9, 1928. He may be separated from the service only by resignation or removal for cause. In the latter case, charges are heard by the entire board after thirty days' notice. A majority vote is required to suspend the person pending the hearing and to remove the accused if he is found guilty.

Periodically Coath announced in the public press that at the opportune moment McAndrew would be "out" and that "it will all be over in five minutes."

The superintendent's appearance as witness in an injunction suit brought by three hundred teacher-clerks against the board was promptly seized upon as an insubordinate act. This group of employees had served as assistants to school principals and had the status of teachers. Their duties were in part clerical. Acting on the advice of its attorney interpreting a recent court decision, the board of education adopted a rule requiring that such positions be filled from the civil service lists.

McAndrew testified that, in his opinion as an educator, the positions should be filled by persons with training and experience as teachers. This testimony was exactly counter to the action of the board taken on advice of its attorney.

Charges of insubordination were preferred against McAndrew on August 29. The roll call on the charges showed a five to five tie until Coath executed a clumsy *coup de grace*, thus suspending McAndrew by a six to five vote.

The law provides that charges shall be heard by the board after thirty days' notice. The case thus came up for hearing September 29. Sixteen new charges against McAndrew were added to the trial indictment as the hearing opened. Five counts are based on the pro-British allegation. The other eleven set forth specific acts or attitudes to which the Thompson members take exception.

McAndrew has retained as personal counsel Angus Roy Shannon, the attorney who drafted the Otis law, and Francis X. Busch, city corporation counsel in the Dever administration. The McAndrew forces called for a speedy trial. Coath, the major domo of the proceedings, sat austerely on the rostrum and explained, between puffs on a cigaret, that since the trustees serve without compensation they could not spare all their time from their business pursuits.

It appears that Coath intends to fulfill his liege lord's pledge by pursuing Fabian tactics. The first three hearings were held at weekly intervals. At these sessions the prosecution barely scratched the surface of its case. Observers point out that by thus prolonging the trial, McAndrew will be kept in official suspended animation until his term of employment automatically lapses.

An added difficulty is that the board has no local precedents to follow since McAndrew is the first superintendent to be suspended and tried according to provisions of the school law.

Each hearing has attracted a packed gallery to the stuffy board rooms. One exchange between counsel provoked a titter from the audience.

"This is no vaudeville show," sternly admonished President Coath. "This is a serious matter."

Big Bill has never regarded the McAndrew issue as anything but a political matter. He is reported to have made the following declaration when an associate endeavored to point out that "firing McAndrew" might prove to be a political boomerang:

"McAndrew may be the best superintendent of schools Chicago has ever had, but he was a political issue in my campaign and he's got to go."

THE "SQUEAL BOOK"

BY LENT D. UPSON

Director, Detroit Bureau of Governmental Research, Inc.

The facts—if any record exists at all—about the number and character of crimes lie buried in the "squeal books" of the police departments. Which means that we are endeavoring to diagnose and cure social diseases without knowing how extensive they are or how effective are our current remedies. :: :: :: :: :: :: :: ::

During recent years the control of crime has received unusual consideration from the American public. The press, reflecting current opinion, has urged vigorously the amendment of prevailing conditions. Citizen organizations,—national, state, and local,—have been created to consider the problems involved and feasible methods of solving them. The American Institute of Criminal Law and Criminology and the American Bar Association have been active through studies by special committees. More recently there has been organized the National Crime Commission, with associated commissions in some states and cities, and only the other week the American Crime Study Commission was launched by distinguished jurists and citizens.

As was pointed out by William P. Rutledge, commissioner of police for Detroit, speaking before the recent convention of the International Association of Chiefs of Police, numerous and diverse recommendations have been advanced to combat crime,—the pre-school training of children, ethical instruction in the elementary schools, more intensive religious training, improvement in police methods, revision of the legal procedure for the trying of alleged offenders, the modification of correctional methods, and particularly the application of more severe penalties to criminals. On this last subject the determinists and the legalists have spilled gallons of ink in argument as to whether punishment should be designed to correct the offender or as an object lesson to others.

NO USABLE KNOWLEDGE OF NUMBER AND CHARACTER OF CRIMES

In the midst of these activities, neither the public nor the authorities responsible for curbing offenses have any usable knowledge of the number and character of crimes committed or of the cost of these depredations. The facts—when records exist at all—

lie buried in the "squeal books," the records of complaints or of "offenses known to the police" in the villages, cities, towns and counties of the several states. Which means that we are in the absurd position of endeavoring to diagnose and cure a social disease, or, better, several different social diseases, because crimes are of differing types and spring from different motives, without knowing how extensive those ailments are, where they exist, and the effect of current remedies.

The total number and type of offenses against law and order can never be known precisely because they are not all reported to the police. Usable totals and details will be known only when all governmental units report complaints of offenses to some central state authority, such as the State Bureau of Criminal Identification and Records proposed recently for New York. Even then, it will be necessary to agree upon some uniformity of definitions and procedure of recording before these data can be used comparatively. And it will be years before the concerted efforts of interested groups will result in such uniformity and completeness of reporting, if the experience of the health authorities in expanding the state registration areas for communicable diseases is any criterion.

In the meantime, it is possible for the police to make available to the public the amount and nature of crime committed in larger cities,—say those of over 30,000 population,—where probably most crime takes place. The International Association of Chiefs of Police has occasionally resolved that such information should be secured, but slight progress has been made. However, with a view to stimulating further activity in this direction, Commissioner Rutledge recently sent questionnaires to some 300 cities, defining certain major offenses, and requesting data as to their incidence for the year 1926. Returns from 100 cities were reported to the Windsor Convention. They are presented in graphic form, as accurately as possible, on the accompanying chart. It is almost useless to say how unsatisfactory the material was for comparative purposes, thereby emphasizing the necessity for uniformity and completeness in reporting.

UNIFORMITY IN REPORTING NEEDED

For example, the most important crime that can be committed in civil life is that of murder. Because the common law definition of this crime has been so frequently changed by statute law, the questionnaire asked for the total of homicides, exclusive of justifiable killings and killing by means of an automobile. The rate ranged from over 25 to zero per 100,000 population, a variation so large as to compel doubt either of the definition or the records. The questionnaire asked for the number of robberies on highways, *i.e.*, "hold-ups," and those in buildings except as burglary, *i.e.*, bank and store robberies. In some instances the returns are made as one, and in others there is an indication of confusion with breaking and entering. The returns on burglary, separately for residences and business places, are, of course, confused by the large differences in the statutory definitions of these crimes.

The greatest lack of uniformity exists in the returns for grand larceny. This was defined as theft from a store, dwelling, bank, office, warehouse, etc., in an amount over $25, not by violence (which would be a hold-up) and not by burglary. Larceny from the person in the nature of pocket-picking was enumerated separately. From the returns it is very evident that what is considered grand larceny in one jurisdiction is not so considered in another.

The publication of the detailed data by individual cities would require so many explanatory footnotes, and would even then be so unfair, that it cannot be considered. A condensation of the data showing the prevailing rates for offenses regardless of discrepancies in definitions may be of interest as shown on the chart on the following page.

A PROGRAM

As a result of presenting this situation to the chiefs of police, by Commissioner Rutledge, the Association authorized the appointment of a committee to undertake a program of uniform reporting. As chairman, Commissioner Rutledge has outlined work comprehending the following steps:

1. Preparation and acceptance by the Association of uniform definitions of major offenses so far as consonant with differing laws. Since arbitrary definitions of offenses cannot be made, owing to the variation in statutory definitions, it is proposed to arrange a classification and segregation of offenses, so as to arrive at substantially uniform results. For example, one state may define burglary as breaking and entering either in the day time or night time. Another state may define the offense as breaking and entering only in the night time. With a proper segregation of offenses, the comparative data can be made uniform in spite of legal differences.

2. The development and general acceptance of a uniform procedure for handling complaints so that each department will record the same defined offenses in the same manner. For example, in recording several thefts committed in a multiple dwelling one department may now treat each particular offense as a separate burglary, while others would record the several offenses as a single burglary.

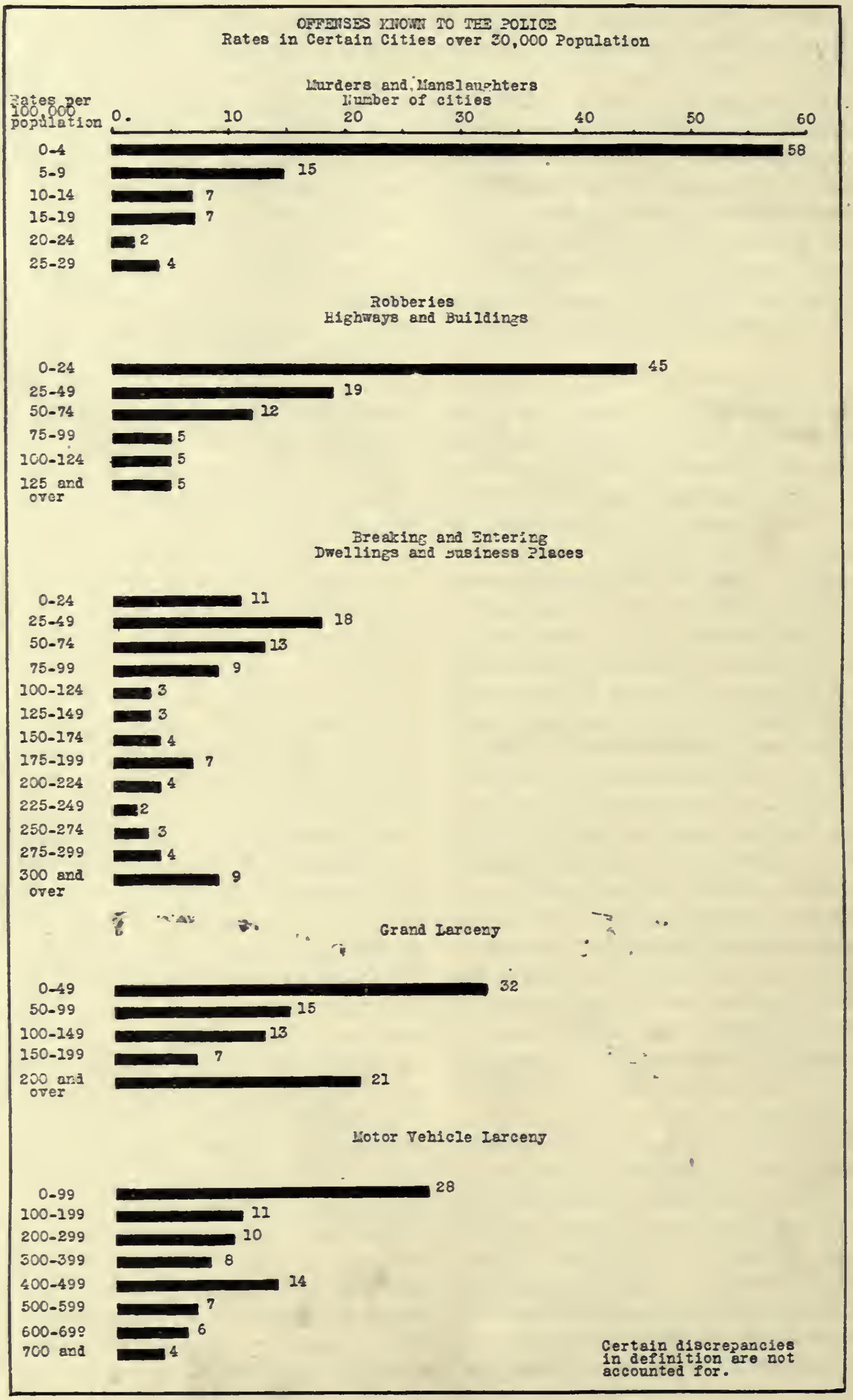
3. Encouragement to police departments to maintain records in accordance with the agreed definitions and classifications so that comparative periodic reports may be prepared.

4. The eventual development of a clearing house for crime data, possibly in connection with the bureau of criminal identification now connected with the department of justice at Washington. It is assumed that it will be necessary for only the more important cities of the country to utilize this clearing house, say, beginning with cities over 30,000, although this population limit can be constantly lowered. This is not meant to prevent any city reporting now that wishes to.

5. Determination for each year of the reportable estimated population of cities for use as a basis for showing the number of offenses per 100,000. At the present time the population statistics used by the police authorities vary considerably from those reported by the United States census bureau for interim periods.

6. Eventually, the development of state bureaus of criminal identification and records. A number of states already have bureaus of criminal identification and these might be expanded to include record keeping for minor divisions of the state. In this way each state would be in a position to make available a total of all offenses committed within its jurisdiction. For the clearing house at Washington to assume this responsibility would not only be too involved, but probably would be beyond its authority.

In concluding his remarks to the convention, Mr. Rutledge said: "Because I believe that the progressive steps looking to a uniform definition of major crimes, and the collection of statistics on these crimes for dis-


OFFENSES KNOWN TO THE POLICE
Rates in Certain Cities over 30,000 Population

Certain discrepancies in definition are not accounted for.

semination to the public should originate and be carried forward by police officers, I renew the suggestion that a competent and energetic committee be appointed for these purposes." The committee was authorized and consists of: Commissioner William P. Rutledge, Detroit, Chairman; Chief Joseph A. Gerk, St. Louis; Chief Jacob Graul, Cleveland; Chief James Higgins, Buffalo; Chief L. V. Jenkins, Portland, Oregon; Chief Thomas Healy, New Orleans; Superintendent Michael Hughes, Chicago; and Chief August Vollmer, Berkeley, Calif. Several other appointments are yet to be made.

REPRESENTATION FOR MINORITY GROUPS

BY SAMUEL A. CARLSON

Mayor, Jamestown, N. Y.

Any group numbering 10 per cent of the voters should have a representative in our city councils, says Jamestown's veteran mayor. :: ::

We hear much criticism about the character of men elected to our governing bodies. But critics seem to be entirely unmindful that the men against whom criticism is directed are those whom the majority of voters in each district or community have chosen. Most of us seem to be imbued with the idea that there is a sort of religious sanctity in majorities. The truth is that righteousness is about evenly divided between majorities and minorities.

In order to make our legislative bodies truly representative, both majority and minority groups should be given representation. The adoption of such a plan would not preclude control by the predominating community sentiment. Everyone knows that a few independent and forcible men in any legislative or governing body are always able to wield a helpful and guiding influence for good government. Such men could be elected by the simple method of giving representation to all voting groups having a voting strength of say 10 per cent or more of the total vote in the community. Each voter might be privileged to vote for two or three candidates with provision that all candidates receiving more than 10 per cent of the vote should be declared elected and given seats in the governing body. Of course under this plan the governing body would be composed of a variable number, depending upon the number of voting groups into which the electorate divided itself at each election. In a city of 50,000 the average number would vary from five to fifteen representatives. But there is nothing objectionable in such variation in membership, since it would be a matter which the people themselves would determine at each election.

Those who argue against minority group representation forget that we are having minority group representation now by ward and legislative districts. The only difference would be that under the proposed group plan the community, instead of being arbitrarily divided by geographical lines, would be divided by difference in public opinion within the city or community as a whole. Certainly there can be no good reason why a fraction of 10 per cent of the voters from the city as a whole (assuming that there are ten wards) should not be just as much entitled to representation as 10 per cent of the population within certain ward boundaries.

Under the group plan, all candidates, whether receiving 10 per cent, 50 per cent or 90 per cent of the vote, would be elected. No candidate would seek the defeat of any other candidate. Each would present himself to the voters because of an affirmative attitude towards some principle or policy and not because of opposition to any other candidate.

With a legislative governing body chosen by the group plan we would have all elements better represented. This would be an advantage in the selection of a city manager or a board of administrative managers, similar to Jamestown's plan, appointed partly by the mayor and partly by the city council and composed of men experienced in business, civic and engineering affairs, entirely divorced from politics.

SUBSIDIZED HOUSING IN NEW YORK

BY LAWSON PURDY

The city of New York proposes to clear certain slum areas by means of excess condemnation, the cleared land to be leased to private builders who agree to erect tenements to be rented at not more than eight dollars per room. :: :: :: :: :: :: ::

On July 28, 1927, the board of estimate and apportionment of New York resolved when making public improvements, such as street openings in congested areas, excess condemnation should be employed for the purpose of eliminating the slum and for the development of new housing upon the cleared land.[1]

At the same meeting the mayor offered a local law to supplement the charter in relation to the leasing of additional real property taken by the city in excess condemnation proceedings. This proposed law was subsequently enacted with slight changes. Its effect was to amend Section 205 of the charter by which leases of city land are limited

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[1] The text of the resolution is as follows:

Whereas it is now generally recognized that congested and unsanitary housing conditions which exist in certain parts of the City of New York are a serious menace to the health, welfare and comfort of the people of the whole city;

Whereas such conditions have arisen for the most part in those older portions of the city which are marked by dark, narrow streets and by the absence of park, playground and other open spaces;

Whereas it has been found through years of endless effort and public discussion that the gigantic work of rebuilding these unsanitary and unlivable areas of the city cannot be done entirely by private initiative or interest, however philanthropic, and that public, community and governmental measures should be invoked to begin a comprehensive cleaning up of the unlivable housing conditions described in exhaustive reports made upon the subject; and

Whereas the Constitution of the State of New York in Article I, Section 7, provides as follows:

> "The Legislature may authorize cities to take more land and property than is needed for actual construction in the laying out, widening, extending or relocating parks, public places, highways or streets; provided, however, that the additional land and property so authorized to be taken shall be no more than sufficient to form suitable building sites abutting on such park, public place, highway or street. After so

to a term of ten years with one renewal. It is now proposed that the term of a lease of property acquired through excess condemnation proceedings may be determined by the board of estimate and apportionment. The text of the proposed law, being Section 970–c of the charter, is as follows:

> much of the land and property has been appropriated for such park, public place, highway or street as is needed therefor, the remainder may be sold or leased."

Which provision authorizes what is commonly known as "excess condemnation," or the acquisition by condemnation, or in connection with a public improvement, of more land than is necessary for such improvement, such additional land being contiguous to the land necessary for the improvement;

Whereas, pursuant to such constitutional provision, an amendment to the Greater New York Charter was enacted by Chapter 112 of the Laws of 1916, which said amendment added to the Charter Section 970–a and re-enacts in fuller detail the constitutional provisions above quoted.

Whereas one of the purposes of excess condemnation, as expressly contemplated by the constitutional and statutory provisions above quoted, is to permit the elimination of slum areas and the improvement generally of housing conditions by enabling the city, in connection with the widening or laying out of streets and parks, to condemn abutting property suitable for building sites, which the city may then lease to private persons and corporations for long terms on conditions governing the construction and renting by such persons and corporations of the homes constructed upon building sites so acquired by the city.

Whereas excess condemnation has been employed with conspicuous success in Europe, notably in London and Brussels, for rehabilitation of congested areas: Now, therefore, be it

Resolved, That it is the sense of this board that excess condemnation should be employed by the city when making public improvements in congested areas for the purpose of eliminating so-called slum districts and promoting housing conditions.

Resolved further, That the President of the Borough of Manhattan be, and he hereby is, requested to submit to this board a statement of all street-widening and similar public improvements which are projected or contemplated by him, so that this board might consider which improvement or improvements shall be accompanied by excess condemnation proceedings with the project of eliminating such areas.

> Whenever additional real property is acquired by the city in excess condemnation proceedings pursuant to the provisions of section nine hundred and seventy–a, such additional real property may be leased by the city, acting through the board of commissioners of the sinking fund, for housing purposes (including stores on the street level) for such term as the board of estimate and apportionment may determine; and the provisions of section two hundred and five, or of any other section, limiting the term of leases by the city to a different period, and requiring appraisal shall not apply to such a lease for such purposes.

This local law must be submitted to popular vote at the election in November. It will be noted that it does no more than under certain conditions to remove the limitation upon the length of a lease. Section 205 of the charter still requires that such property shall be leased "for the highest marketable price or rental at public auction or by sealed bids and always after public advertisement for a period of at least fifteen days in the City Record."

It seems that the action of the board of estimate at the instance of the mayor was induced by certain representations made by various people that if given a lease on some terms acceptable to them of land along the line of Allen Street, now proposed to be widened, they would erect tenements and restrict the rental to eight dollars a room. It was reported in the *Times* of July 29, in connection with the report of the action of the board of estimate above quoted, that Charles L. Craig, former city controller, addressed the board. "He said he appeared in behalf of clients, whose names he was not yet at liberty to disclose, but who were eager to coöperate in the Mayor's plan for better housing and who had pledged themselves to lease and build modern apartments with rentals at eight dollars a room upon two more blocks of the area along the line of Allen Street between Delancey and Division Streets. The erection of five blocks of new buildings in that section had been already promised by August Heckscher, Paul Block and other capitalists and philanthropists."

EXCESS CONDEMNATION

The above quoted amendment to the constitution of New York, adopted in 1913, was the culmination of a campaign commenced in 1908; substantially the same amendment that was finally adopted was approved by the legislature of 1909 and by the succeeding legislature. It failed of adoption by the people when submitted, presumably because at the same election five other amendments to the constitution were submitted including an amendment increasing the salary of the governor of the state. North of the Harlem River the feeling was very strong against that amendment, increasing the salary of the governor. It failed by a very large majority and it was generally stated that persons interested in defeating that amendment were so much interested that they voted against all the amendments.

Persons interested in excess condemnation resumed the effort and the legislature of 1911 or 1912 again proposed the amendment. It was approved by the next legislature and when submitted to the people carried by a reasonable majority. During all that period of five years no public representation was made that the amendment was intended to be used to secure land for the purpose of letting it or selling it below its market value or subject to any restrictions which would reduce its market value. Certain very definite arguments were used for the passage of the amendment which are recited in the Report of the Committee on Taxation of the City of New York in relation to excess condemnation, addressed to the mayor in May, 1915.

The chief argument was the fact that when a street is opened or widened in built-up territory irregular parcels of land are left which act as a barrier to contiguous land and the appropriate improvement of land fronting on the new or widened thoroughfare is hindered and delayed. Second, that land adjacent to the new or widened thoroughfare is assessed for the improvement and that when by reason of the irregular character of the parcels the land cannot be utilized to advantage the burden of these assessments is excessive.

It was pointed out at the time that the city of New York had been a pioneer in the matter of excess condemnation, being the first city in the world to have any such power. By an act of 1812 the city was given power to take remnants of land in addition to land for a street. The power was inadequate, but it was used in a number of proceedings until 1834, when the power was held unconstitutional in the matter of Albany Street.

LONDON EXPERIENCE

The experience of London was cited where excess condemnation has been used extensively and, in particular, the illustration of Northumberland Avenue which runs from Trafalgar Square to the Embankment. In this proceeding the excess land was sold for more than the gross cost of the land taken, a very unusual result. In the case of new thoroughfares in London, in connection with which excess condemnation was used over a considerable period of years from 1855 to 1889, 47 per cent of the total cost was recovered. A far more important effect, however, is shown by the experience of Kingsway, which may still be seen.

Kingsway runs from the Strand to Holborn, is a street 100 feet wide, and was cut through a very bad, irregular, poor section of London. The abutting land has been let subject to restrictions such as to ensure the adequate and appropriate development of property. It is interesting that Bush House now stands at the southerly end of Kingsway and is soon to be enlarged by two wings which will be an ornament to the city of London. From every point of view Kingsway operation has been a success.

Following the adoption of the amendment to the constitution, the legislature added to the charter Sections 970-a and 970-b. The last sentence of 970-a shows the intended use of excess condemnation:

> The board of estimate and apportionment may provide that such additional lands shall be sold or leased subject to such restrictions, covenants or conditions as to location of buildings with reference to the real property acquired for the improvement, or the height of buildings or structures, or the character of construction and architecture thereof, or such other covenants, conditions or restrictions as it may deem proper; and such additional lands shall be sold or leased subject to such restrictions, covenants or conditions, if any, as the board of estimate and apportionment may have prescribed, which shall be set forth in the instrument of conveyance or lease.

There was in the minds of various persons interested in excess condemnation that it could be used in connection with the establishment of small parks, park spaces, new streets, and the widening of old streets in congested sections of the city which are covered with old buildings of an unsanitary character, although this thought was not used as an argument for the adoption of excess condemnation.

When the charter was amended to carry out the intent of the constitution and this sentence above quoted was inserted in the charter the intent is reasonably obvious that when additional land shall be sold or leased the restrictions, covenants or conditions as to location of buildings or the height of buildings or the character of construction and architecture should be such as would tend to enhance the value of the land to be sold by the city and would conduce to the more permanent and satisfactory improvement of such land. There is not to be found either in the constitution or in the charter any provision which can excuse a restriction upon the rental to be charged or limiting the price to be paid. The whole intent is obvious that all shall be done that can be done to enhance the value, increase the price, and increase the rent.

LIMITATION OF RENTALS

Now it appears to be proposed that the city shall lease land acquired by excess condemnation for a long term of years subject to some restriction to the effect that the rentals of apartments shall not exceed eight dollars a room. At the present price of building it is somewhat doubtful whether anyone can erect a building without paying anything for the land and let it for eight dollars a room and get 6 per cent on the cost of the building alone. But in any event, whether that can be done or not, it seems reasonably clear that a very much larger rent can be got for suitable tenement accommodations in buildings erected on Allen Street with a park on one side and a wide street on the other, and the effect of the proposal, if carried out, will be that rooms will be let to some persons for much less than other persons would pay for them if they had the opportunity to hire them.

It does not seem that this proposed amendment to the charter to be voted on in November is bad in itself, because it is obvious that land cannot be let for ten years with the prospect of obtaining a satisfactory improvement. As to whether it shall be let on long lease or sold depends upon the conditions at the time. A better result may be obtained by a long lease than by a sale. This was found to be the case in London. The city received more for its property by letting it on long lease than it could have received by sale. In addition to obtaining more money and partly for the purpose of securing more money, the council has controlled the architectural treatment of buildings. In this connection, the Improvements Committee said:

> In our opinion every effort should be made to secure that the great thoroughfare from Holborn to the Strand in addition to utility should possess beauty and civic dignity. . . . If this be secured, the Council will obtain the highest possible amount for the land.

While it does not appear that there is any objection to the removal of the ten-year limit upon leases, it does seem that the purpose is to do that which may reduce the value of the land and not increase it, and it is a serious question whether a taking of land by condemnation with intent to restrict it by limiting the rentals to be charged will be upheld as a taking "for a public purpose." Whether or not the courts would say that it is a public purpose within the meaning of the constitution, that purpose seems to me to be a bad purpose for it will cost some persons money to be given to other persons to be selected by some process.

If certain persons are to be selected as beneficiaries of the use of these apartments at less rental than the apartments would bring, these persons must be selected on some basis. If the basis for their selection is their financial status, then the persons thus favored are the beneficiaries of a form of charitable relief which presumably they do not need. While the relief will be somewhat disguised, it will be no different from free gifts of coal or clothes or a free gift of a sum of money with which to pay the rent they might otherwise be obliged to pay. These tenants become a special class to which most self-supporting persons would not desire to belong. We must recognize the fact, however, that most of us are rather eager to get things for less than they are worth and there probably would be a long waiting list. If these people overcome their natural and proper reluctance to being segregated in a class which receives relief from the city, they have overcome a sense of independence which is a proper sense and to that degree they suffer in their own self-respect. The very persons sought to be benefited are thus, to some degree, damaged by receiving such favors to which all their fellow citizens are not entitled.

If such a plan should be carried out and rentals should be fixed by contract at the same figure throughout the lease, both lessee and lessor will be doing a reckless thing. Such a lease assumes the stability of the dollar and the stability of the cost of building. No man knows today whether the dollar will appreciate or depreciate during the next fifty years. Should the dollar appreciate, that is, should its purchasing power become greater, the rental limit may become no limit at all. In order to keep the buildings full it may be necessary to reduce the rental. On the other hand, should the dollar depreciate in purchasing power the operating costs of the buildings will increase and the limit will become more and more onerous upon the lessee. The ordinary builder takes the hazard of the change in the value of the dollar. If the dollar depreciates he has the chance of considerable gain. If, on the other hand, the dollar appreciates, the ordinary builder may lose his property. With an appreciating dollar it becomes harder and harder to pay the interest on the principal of the mortgage. The purchasing power of the dollar may so increase that the property is worth less than the mortgage. The ordinary real estate owner must take the hazard, but is compensated by the possibility of gain. Under the plan of fixing rentals for a long period, the lessee cannot gain if the dollar depreciates and must lose if the dollar appreciates.

The power of excess condemnation can be used to clean up bad spots in the city. It has been done elsewhere, it can be done here; but it should be done with every possible safeguard which will tend to enhance the value of the land and conserve the value of the buildings that may be erected. We can redeem a few blocks at a time on the lower east side, in parts of Brooklyn, perhaps in parts of the Bronx, and make those few blocks centers of improvement which will radiate and so more rapidly bring about further improvement and the destruction of old, unsanitary buildings. Such a plan as is proposed for limiting rentals will, if carried out, be no more than a sterile investment which will pauperize some few people and do nothing by way of example to induce further improvement.

COLUMBUS, KENTUCKY, MOVES TO A NEW LOCATION

BY J. CATRON JONES
University of Kentucky

After years of struggle with Mississippi floods a complete town moves to high ground nearly a mile away. Citizens exchange old sites for new. :: :: :: :: :: :: :: :: :: ::

Columbus, Kentucky, one of the oldest towns in the middle west, is going through an experience which is probably unique in the history of modern towns and cities. The moving of a house for half a mile or so is not unusual in these latter days, but the wholesale removal of an entire town of a thousand or more people is a more ambitious undertaking. In the history of town and city life it is not at all unusual to find that a town has been wiped out, or nearly so, by some disaster such as the volcanic eruption of Mount Vesuvius. On the other hand, it is a very common occurrence to see towns fall into decay due to a varied number of circumstances and pass out of existence. There are also a great number of instances where a town has moved by a gradual process in one direction until it has completely abandoned the section that was once the center of activities. There are also a number of cases on record where towns have been built almost over night in the vicinity of a newly discovered gold field, or, in some cases, in the center of a new partition of government lands, but nowhere have we found a record of a city which has calmly decided to move itself to another location, as is the case with Columbus, Kentucky.

The work of removing the city began

September first, and it is expected that the old Columbus will be completely razed and the new one in full operation as a going concern by Thanksgiving. The American Red Cross has been the guiding genius in effecting the transfer of the city to its new location.

Columbus was settled more than a hundred and forty years ago and for a great many years was one of the most prosperous of the many growing towns in the middle west. Its location, just a few miles below the mouth of the Ohio River at the extreme western end of Kentucky on the banks of the Mississippi River, made it a very advantageous river port and it early became a very prosperous shipping center. By the outbreak of the Civil War, Columbus had become a town of approximately ten thousand inhabitants and was, in a sense, the gateway of Kentucky and the Ohio Valley. However, as the transcontinental railways pushed westward, the importance of the town decreased and the steady growth it had had up to the Civil War ended.

THE FLOODS PREVAIL

Soon the once promising city began a slow process of decay, which has gone on up to the present time. But the coming of the railroads was not the only enemy of the progress of Columbus. As the years went by the Mississippi River became more menacing and year by year as the floods came down in the spring they took small bits of Columbus with them. During the last fifteen years more than fifty houses and almost as many acres of land were carried away in this manner. Such dykes as had been constructed were insufficient to prevent these annual inroads upon the town. During the past fifteen years the floods not only carried away large portions of the city, but every year, and sometimes two or three times in a single year, the flood waters of the Mississippi overran practically the entire town and caused the inhabitants to desert their homes and places of business for many weeks. Despite these disasters the citizens of Columbus refused to move or submit to the will of the Mississippi. When a series of floods came in the spring of 1927 and not only carried away ten houses, including the old hotel, but inundated the entire town with some fifteen feet of water for several weeks, the spirit of the stoutest hearted citizens was broken. Under these circumstances they were willing to listen to a plan of the Red Cross to abandon the old city to the ravages of the Mississippi and move to higher ground.

THE RED CROSS HELPS

The Red Cross purchased a tract of eighty acres of land that is situated on a bluff some hundred and four feet high and nearly a mile east of the banks of the Mississippi. The entire tract of land was deeded to the city and in addition the Red Cross made a gift of $50,000 toward furthering the work of moving the city. The plan to move the city was as follows:

As residents remove their homes from old Columbus to the new city they deed their old lots to the city of Columbus with the stipulation that they will never be used for residential purposes again. The city in turn deeds them a lot of equal size and value and, as nearly as possible, in a similar location in the new town.

When the plan was perfected by the first of September the work of moving to the new site was begun. More than one hundred homes and business houses will be moved during the three-month period following September first. About half of these will be placed on rollers and pulled by tractors to the new location, while the balance will be torn down and hauled to new

Columbus and rebuilt in new locations. Many new homes and business places will have to be constructed to replace the homes and business houses which were washed away or otherwise destroyed by the flood.

The first estimate of the Red Cross was that the entire change could be made at a cost of about $100,000. Since the work has begun it is now thought by some that the complete job will entail an expenditure of around a quarter of a million dollars. This, of course, will include not only the removal of the old houses, the construction of new ones to take the place of those that were destroyed by the flood, but the construction of new sewers, laying out and installing of new water lines, construction of new reservoir, the transfer of telephone and telegraph lines, and the laying out and surfacing of new streets.

ONCE CONSIDERED FOR NATIONAL CAPITOL

It is an interesting coincidence that the early settlers of the town of Columbus once held high hopes that the National Capitol would sometime be located on the site which has now been washed away by the flood waters of the Mississippi River. At various times in the early part of the past century feeble efforts were made to get the Capitol moved to the middle west and the inhabitants of Columbus were strong bidders for the location.

It is also recalled that it was at Columbus, Kentucky, that a span of heavy chains was stretched across the Mississippi in an effort to hold back the gun boats of General Grant, which were later to invade the interior of Kentucky and demolish Fort Donaldson. Incidentally, the anchor and some of the links of these chains had been preserved and are to be placed in the center of the town as a monument to the heroic efforts of the Confederate soldiers of the Civil War.

The new town is essentially one of the Main Street variety. The main thoroughfare of the new city has been named Hoover Parkway as a tribute to Mr. Hoover in giving aid to flood sufferers. This Parkway will contain most of the business houses of the town. The other streets which lead off from the main thoroughfare will be used for residential purposes and most of them will be named for heroes of the Flood Relief Work.

FREE CITIES IN OKLAHOMA

BY HARRY BARTH

University of Oklahoma

Oklahoma gives its cities greater freedom of local self-government than do most other states. State control is limited to education, public utility rates, tax limits, and methods of removing city officials. ::

Oklahoma has a home rule situation which would be regarded as ideal in many states. The cities are in large measure free of state interference, except in matters clearly general in character. So far as the framework of government is concerned, they are almost completely autonomous. This state of affairs bears every indication of permanence, for home rule here is generally regarded as successful. In addition the cities and towns are organized in a strong municipal league, whose primary purpose is the defense of municipal liberty. Should any attempt arise to lessen independence, a determined fight would be made with bright chances for success. The league has every major city in its membership, and key men in important places. Furthermore, Oklahoma has a spirit of local self-government which for some occult reason has permeated into the rank and file of city officialdom.

The explanation for the strength of home rule in Oklahoma cannot be given with completeness, and yet several hypotheses may be indicated. For one, Oklahoma came into the Union with Jacksonian democracy running high. In 1907 Oklahoma bore a striking resemblance to the Tennessee and Ohio of 1828. There was abundant faith in the political competence of the average man which caused the adoption of the initiative and referendum for state and local government. There was a fervid belief in the excellence of direct elections of all officers which has cumbered the ballots of every political agency. There was lastly—and this is the important point for our purposes—an acceptance of the theory that government should be kept close at home and that the form of local government was a matter of local choice. Acting with the last factor was the failure of state control to solve the problem of local government, a condition plainly evident in the United States by the last quarter of the nineteenth century.

TOWN CHARTER MAKING

The Oklahoma Constitution states that "any city containing a population of more than two thousand inhabitants may frame a charter for its own government. . . ." (Article XVIII, Section 3a.) This section also outlines the procedure for the adoption of a charter which will be indicated later. The effect of this constitutional pronouncement is to place home rule on a firm legal basis. The clause is self-executing and does not require action of the state legislature to be vitalized.[1]

For communities smaller than two thousand a state governing act applies. Yet this law is most generous. The people living in the area to be organized have complete control of the situation. If the residents at a cross road decide they want government, they do three things. A survey of the proposed town is made, a census is taken, and a petition of one third of the qualified voters asking incorporation is gathered. These three data are submitted to the county commissioners, who then call an election to determine whether a town shall be created. Incidentally they give the town a name. Frequently great ingenuity is used in christening the prospective communities. Thus a recent incorporation in the Seminole field is Bowlegs, while one in Cleveland County is called Corn. If the voters are favorable, there is a town. Whenever they decide to dissolve the corporation, they may do this by simple election.

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[1] *Owen* v. *Tulsa*, 27 Okla. 264; 111 Pac. 320.

The town government is not complex. There is a board of trustees, usually of three members, though four or five are possible. In addition, a clerk, a treasurer, an assessor and a justice of the peace are elected. Frequently the chairman of the board acts as justice of the peace. The government is usually one of amateurs, —local celebrities who devote part of their time without pay to civic service. Problems are simple and the governmental machinery is adequate.

CITY CHARTER MAKING

When a community achieves two thousand inhabitants it may rise to the dignity of a city. The process again rests on local choice. Thirty-five per cent of the voters petition the governor, who then calls an election to determine whether the town shall become a city, and who the city officials shall be in case the voters decide to change the government. A majority vote governs.

The city government provided is either a home rule charter or else a statutory form outlined by the legislature. A town of two thousand may adopt a charter in the same manner as a city. Usually, though, a town adopts the legislative government when it changes to a city and frames a charter afterwards.

The legislative form is true to the spirit of Andrew Jackson. There is a council of two men from each ward and a board of education of like size. In addition, nine elective officials are provided: a mayor, a clerk, a police judge, a city treasurer, an attorney, a chief of police, an assessor, a street commissioner and a treasurer of the school board. This is popular election gone wild. The motivation for a home rule charter frequently is the desire to get away from this pathologic form of democracy. Efforts have been made to simplify this form of statutory government in the last two sessions of the legislature, but without success.

When a city sets out to make its own charter, the first step is for the council to call an election of a board of freeholders equal in number to the council. This board frames a charter, and presents one copy to the city executive and one to the county register. Publication for three weeks in some paper of general circulation is stipulated. Then comes a direct election. The charter, if adopted, goes to the governor, who is charged with examining it for conflicts with the state constitution. This is usually a formality. The charter may be repealed, if it contains nothing to the contrary in its text, by a majority of the voters at an election, called by either the city council or on petition of 25 per cent of the voters.

There are about eighty-five cities in Oklahoma with a population of two thousand. Over half have framed their own charters. Half the charter cities have the commission form; half are managerial. Mayor-council charter cities are exceptional. Fifteen years ago new adoptions were usually the commission type. Recent adoptions have all been the managerial form.

The date of a charter will indicate its nature, for they usually reflect current fashions in charter making.

The outstanding fact about local government in Oklahoma is satisfaction with the machinery for charter making. There is much criticism of specific administrations in various cities, but the fault is clearly recognized as lying with the individual city. Above all, the citizens cannot pass responsibility for an ineffective governmental machinery on to the state legislature. The remedy lies at home, and people are generally conscious of the fact. Nor have the cities abused the power of creating their own governmental forms. Usually great interest is taken in proposals to amend existing charters. Where changes have been made, they have been the result of study and public discussion after consultation with the state bureau of municipal research.

THE SCOPE OF LOCAL SELF-GOVERNMENT

The form of city government is just one side of the picture. The other concerns the powers of local communities. How far may a city in Oklahoma determine its own activities? How far may the state legislature interfere?

The answer to this question cannot be given with exactness. There are a number of decisions, and these have pricked the line between local and state authority with some certainty. Yet there are areas of confusion, and areas where there are barely grounds for hypothesis. On the whole, though, it may be said that there is substantial autonomy for an Oklahoma city. This is partly because of the home rule provision of the Constitution, partly because of a liberal grant of powers from the legislature.

The general theory underlying the attitude of the courts was expressed in a 1923 decision. On this occasion the court announced that "the principle underlying home rule government in Oklahoma is that, as to purely municipal matters, the power of the people is coördinate with the power of the Legislature itself." [1] The application of the principle in this case was that street paving was a municipal problem, and that, specifically, the assessment and cost of street paving properly belonged to municipal affairs and appertained to the local government of the corporation. As a matter of fact, the legislature passed a comprehensive law governing street paving the same year the decision was made, and this law is closely followed by the cities generally. Yet the right to deviate from the legislative procedure seems settled by the case. The important point is the doctrine that in purely municipal affairs the city has powers which the legislature must respect.

A number of cases have arisen to test the supremacy of city charters where these conflict with state laws. The general state law makes mandatory the primary method of nomination. The Ponca City charter provides for nomination by petition. The Supreme Court held that the method of nomination is a matter of purely municipal concern and ruled, therefore, that the charter governed.[2] In Okmulgee a case arose over the method of charter amendment. The state law provides regulations governing amendment petitions; the charter does likewise. Here again the Supreme Court decided in favor of the charter.[3] An Oklahoma city case involved the time for elections.

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[1] *Berry* v. *McCormick*, 91 Okla. 211; 217 Pac. 392.

[2] *State, ex rel. Short* v. *Callahan*, 96 Okla. 276; 221 Pac. 718.

[3] *In re Initiative Petition, City of Okmulgee*, 89 Okla. 134; 214 Pac. 186.

The charter and state laws fixed conflicting dates. It was held that the time of holding municipal elections is a mere municipal matter.[1] This case also held that the adoption of the commission form of government came within the scope of powers of a municipality. The city of Guthrie provided non-partisan elections and also permitted the mayor to appoint the local election officers, though the state law vested this power in the county election board. The Supreme Court decided in favor of the city charter on both points, holding them local matters of local interest.[2]

There is only one case in which an adverse decision was given, and here the reason was the indefinite character of the charter provision. A mayor examined into the authenticity of signatures on a referendum petition, claiming this right under the charter. The court could find no such power in the charter, and ruled that the state law which was silent on this point governed. But, even though deciding against the local authorities, the court gave an excellent statement of the theory: "It is well settled that a charter, when adopted by the people and approved by the governor . . . becomes the organic law of the municipality and the provisions of the charter supersede all laws of the state in conflict therewith so far as such laws relate to purely municipal matters." [3]

These cases indicate clearly that governmental mechanics are a matter for local decision.

An early case, early for Oklahoma (1911), seems to confer a certain police jurisdiction on the local authorities. Here a man was arrested for violating the prohibition ordinance of Tulsa. He made the defence that there was a state law on the subject, that this superseded the local ordinance, that he should be tried under the state law, if at all. The court refused his plea, announcing that a city adopting a charter is accorded full power of local self-government, and as a municipal corporation, under its charter, it has power to enact, ordain and enforce ordinances for the purpose of protecting the public peace, order, health, morals and safety of the inhabitants, even though general statutes exist relating to the same subject.[4]

A case arising ten years later indicates a similar police power, though in this instance the Supreme Court held that the regulations must not conflict with general laws. However, the court did state that charter cities may have wider powers than cities operating under state laws. This statement is not coupled with illustrations and therefore can mean much or little. The ordinance questioned here was one prohibiting Sunday movies and was upheld.[5]

The power of the local authorities to make police regulations is quite broad. This may be based on general grant of power from the state.[6] But the power to make regulations local in character would probably be upheld in the absence of a grant of power by the legislature.[7]

Where the municipality acts to abate a nuisance, the courts will be liberal in their review of the proceedings. In a Ponca City decision the Supreme Court held that "if it appears that the question of a nuisance or not is one as to which there might be an honest difference of opinion in impartial minds, the action of the city commissioners is conclusive of the question."[1] A decision of this type does not confer a power on the municipality, but it does indicate a freedom in interpretation of power which tends towards a wider scope for local action. The case in point involved the destruction of some shacks in the business district of a rapidly growing community.

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[1] *Lackey, et al.* v. *State, ex rel. Grant, et al.*, 29 Okla. 255; 116 Pac. 913.

[2] *Mitchell* v. *Carter*, 31 Okla. 592; 122 Pac. 691.

[3] *Caruth Mayor* v. *State, ex rel. Tobin, et al.*, 101 Okla. 93; 223 Pac. 186.

[4] *In re T. H. Simmons*, 4 Okla. Crim. 662; 112 Pac. 951.

[5] *Ex parte Johnson*, 201 Pac. 533; 2 Okla. Crim. 66.

[6] Compiled Oklahoma Statutes, 1921, Section 4547.

[7] *In re T. H. Simmons, supra.*

An institution which has caused Oklahoma municipal officials much worry is the county excise board. According to the law, every city must submit a budget to this board in July showing how much revenue it expects to receive and its expenditure program for the approaching fiscal year. The board is authorized to revise and correct the spending plan, increasing or decreasing items. On its face this law is a direct infringement on home rule. The board is composed of seven county officers: the clerk, the attorney, the treasurer, the judge, the superintendent of schools, the assessor and one county commissioner. These officials are usually farmers. The effect of the law, if enforced, would be to throw municipal expenditures before a board of farmers for review.

The Supreme Court refused to take the law at its face value. On the contrary, it announced that "the power and authority to revise and correct the tax budget or estimate of the city of Oklahoma City (the city involved in this particular suit) is with the mayor and city commissioners, and that the county excise board has no authority thereover."[2] If this case stands, the cities need not fear the county boards. A more recent decision held that expenditure and revenue reports had to be made to the boards, though the court refused to state that the boards had power to revise them.[3]

To summarize the favorable aspects of home rule: The city in Oklahoma has full power based on the Constitution to make its own charter. The city has complete control over election machinery, and the mechanics of government in general. The city probably has a police power independent of legislative action. So far at least, the Supreme Court has refused to enforce a law granting a county board control over municipal finances.

A FEW LEGISLATIVE RESTRICTIONS ON MUNICIPAL HOME RULE

What subjects have been looked upon as general rather than municipal in character, and beyond the scope of local authority?

Education is a general matter. "The free public school system is a matter of general state concern and not a municipal affair."[4]

Rates for public utilities are looked upon as beyond municipal control. Said the Supreme Court in 1921, "The supreme Legislature of the state having seen fit to place the power of regulating rates for gas furnished by public utilities in the Corporation Commission, in our judgment the state has such sovereign interest in the subject of legislation as to preclude the chartered cities of the state from entering the field by charter provisions."[5]

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[1] *Calkins* v. *Ponca City*, 89 Okla. 100; 214 Pac. 188.

[2] *Bodine* v. *City of Oklahoma City, et al.*, 79 Okla. 106; 187 Pac. 209.

[3] *Ryan* v. *Roach Drug Co.*, 113 Okla. 130; 239 Pac. 912.

[4] *Board of Education, City of Ardmore, et al.* v. *State, ex rel. Best*, 26 Okla. 366; 109 Pac. 563.

[5] *City of Bartlesville* v. *Corporation Commission.* 82 Okla. 160; 199 Pac. 396.

The tax limits are looked upon as matters of state concern. The constitution places the municipal tax limit at ten mills for current expenses; the legislature, at six. Which limit applied to charter cities? The Supreme Court ruled that the legislative limit governed.[1] "We conclude," said the court, "that the amount of tax authorized to be levied by a municipality and the manner of levying same is a matter of general public interest and can be accomplished only by general laws, and not by charter provisions." [2] A case of lesser importance stated that "taxes in this state must be assessed and collected pursuant to and under the authority of general laws enacted by the Legislature. . . . The contention that cities operating under a freeholder's charter form of government have the power to determine what are purely municipal affairs . . . is untenable. . . . It is a well settled principle of law that there can be but one sovereign power in the government of a state." [3] This case tended to overthrow an earlier case, but, of course, it governs.[4]

There is one other case which limits home rule. This involves the right of the state to fix methods of removing incompetent city officials from office. The present Oklahoma law provides for indictment by grand jury and jury trial as the method for removing officers not subject to impeachment.[5] A chief of police of Tulsa, a charter city, indicted by grand jury for nonenforcement of prohibition and prostitution ordinances, appealed to the Supreme Court for an order preventing the trial from taking place. He alleged that the charter of Tulsa provided for removal of negligent officials by the city commissioners, and that since the charter covered the matter, the state law was inoperative. The court held that the state is interested in law enforcement and may provide a method for removing negligent officials supplemental to the procedure in the charter.[6]

We find that the legislature may control the city in educational matters, in tax limits, and in the method of tax collection; may provide an alternative method of removing city officials derelict of duty; and exercises supreme authority over public utilities. To what extent do these limits on city control interfere with home rule? Obviously, in the fields affected home rule ceases.

It is difficult to see how the state could permit autonomy in educational matters. After all, education is a matter for action by the supreme policy-determining agency in the state. It is one of the most important functions of a body politic. It concerns the welfare of the entire people; not only the people of specific areas. Likewise, there can be little objection to the Oklahoma method of removal of officers who are unfit for service. The procedure involves a trial by a jury of men from the community served. This places the responsibility on the locality concerned. The Oklahoma law may be contrary to home rule principles and yet it does give substantially local control.

Control over utility rates is in a somewhat different category. There are many sound arguments for local control. Yet the Oklahoma gas and electric services are carried on in large measure by three large concerns, each of which caters to a long chain of cities. It is difficult to see how a system of local regulation would work without friction between governing bodies. The regulating authority as a general rule must be equal in scope with the subject of regulation. State regulation seems necessary where a utility serves as many as forty cities.

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[1] *Oklahoma News* v. *Ryan*, 101 Okla. 151; 224 Pac. 969.

[2] 101 Okla. 159.

[3] *City of Sapulpa* v. *Land*, 101 Okla. 22; 223 Pac. 640.

[4] *City of Collinsville, et al.* v. *Ward, et al.*, 64 Okla. 30; 165 Pac. 1145.

[5] Compiled Oklahoma Statutes, 1921, Sections 2394–2425.

[6] *State, ex rel. Burns* v. *Linn, District Judge*, 49 Okla. 526; 153 Pac. 826.

On the other hand, it seems wise to let the city retain a residue of authority. Then should conditions become intolerable, the city might step in and clean up the situation. Prior to 1925 the cities of Oklahoma exercised a certain control in extremities, as the gas, electric and water companies operated under twenty-five-year maximum franchises. In 1925, however, the legislature passed a law allowing utilities to receive permits to operate indefinitely in exchange for the franchises. These permits were subject to revocation only by the state legislature and only in case no harm was done the utility. A committee of attorneys of the municipal league is now engaged in fighting the constitutionality of this law before the Supreme Court. If the law is called invalid, home rule will not have vanished entirely in this field. If it is termed valid, the cities will have lost the last vestige of utility control, and this will be unfortunate.

To the city officials, state control over local taxes seems a vicious interference with local rule, and a case of pure meddling on the part of the state legislature. A rigid limit cannot possibly fit the needs of diverse communities of populations which range greatly in size. Furthermore, tax limits seem a type of paternalism to which no self-respecting city should be subjected. It takes the burden of good government off the citizens and places it nowhere. It assumes that the citizens are incompetent to govern themselves. After all, if things go wrong, it is the local community which suffers, and the responsibility for competent administration should rest with the persons most directly concerned. Here is the most pernicious type of interference in Oklahoma.

The policy of the cities is to win their point by the gradual process of piecemeal gains. The constitutional limit is ten mills, four mills beyond the legislative limit. Already the cities can exceed the six mills by one mill for libraries and a half mill for cemetery purposes. It is hoped gradually to eat up the four mills by special grants, and in the course of time success will probably be achieved.

OKLAHOMA A LEADER IN HOME RULE

The subject of this article is "free cities in Oklahoma." Are they free? The answer depends partly on opinion. They are not free in an absolute sense; but absolute freedom is impossible. Yet they do have much more freedom than the cities of most states. They have control over their machinery of government and they have local police powers which are almost unlimited. There is only one clearly bad restriction and this involves taxation. But there is a distinctly favorable sign. The cities of Oklahoma are organized and they have nailed the flag of municipal liberty to their city halls. United in a common cause, they will carry on the age-long struggle for greater powers of local self-government.

AMERICAN GOVERNORS

BY AUSTIN F. MACDONALD
University of Pennsylvania

The governorship may sometimes be a stepping-stone to fame; usually it is a toboggan to political oblivion. Greater emphasis on the administrative function of the governor is needed. :: :: :: ::

THERE was once a time in the long forgotten days of early statehood when the legislature was generally regarded with popular approval and the governor with popular distrust. In virtually every state the assembly was looked upon as the people's assembly, jealously guarding the rights of the masses against the fancied attacks of over-ambitious executives. But in more recent years public opinion has undergone a marked change. The governor and the state legislature now find their relative positions in popular esteem practically reversed. The governor has become the spokesman of the people, formulating the policy of the state. He is expected to use his veto power and use it freely to correct the unwise acts of the assembly. He is expected to force recalcitrant legislators into line, and compel the adoption of his policies. He is the head of the state in name, in popular esteem—in everything except authority. And the ironical part of the whole matter is that authority is the one thing he needs to made him head of the state in fact.

In nearly every state he shares his authority with a number of elected executive officials over whom he can exercise no control. Most of his appointments are made "by and with the advice and consent of the senate," and therefore can scarcely be said to be made by him. State constitutions and state laws alike bind him in a tangled net of red tape from which he finds it impossible to free himself. In more than half the states his term is still fixed at two years—scarcely long enough to formulate a policy, much less execute it. A number of our commonwealths add insult to injury by making the governor ineligible to succeed himself.

It is generally agreed that the calibre of the men who become the governors of our states is a matter of the very greatest importance. Second-class men will never produce first-class administration. Yet we have done almost nothing to make the job sufficiently attractive to draw the type of men we need. Certainly the salaries paid are not an adequate inducement. They average less than seven thousand dollars a year. The division of responsibility does not appeal to men who expect to produce results. In fact, the dignity and prestige which inevitably attach themselves to the gubernatorial office seem to be the only apparent reasons why men of ability and training would offer themselves as candidates.

187 GOVERNORS STUDIED

A consideration of these facts led the writer to make a somewhat superficial examination of the records of the men —187 in all—who became governors of the states of the American Union during the decade from 1900 to 1910. It was hoped that in this manner some definite conclusions might be drawn as to the types of men who become our chief executives. The first ten years of the present century were chosen because the use of a later period would have precluded the possibility of examining subsequent careers with any degree of assurance that the final word had been spoken. Some of our governors of 1910 may still be elevated to high office, but the chances are that their period of service has passed.

The results of the investigation were surprisingly encouraging. Nearly half of the men were college graduates, and most of the remainder had received some form of specialized training—usually in law. In fact, an examination of vocations showed that 48 per cent of all the governors were members of the bar. The merchants came in a poor second, with 10 per cent, and after them trailed the manufacturers, with 8 per cent. Below is the compiled list of occupations:

VOCATIONS OF STATE GOVERNORS, 1900–1910

Lawyers	89
Merchants	18
Manufacturers	15
Farmers [1]	14
Bankers	12
Newspapermen [2]	10
Physicians	6
Contractors	3
Clergymen [3]	2
Army officers	2
Sailors	2
Railroad man	1
Educator [4]	1
Civil engineer	1
Mine owner	1
Quarry owner	1
Oil producer	1
Timber owner	1
Unclassified	7

This list indicates that the governors stood fairly high in the occupational scale. True, there are a number of things that it does not make clear. "Lawyer," for example, is a very elastic term. The hundred-dollar-a-month employee of a small real estate firm is a lawyer. So is the successful corporation attorney. Many a so-called lawyer in politics has never handled a dozen cases in his life. And so it is with several of the other groups. "Merchants" include everyone from the department store owner to the corner grocer.

REPRESENTATION OF BETTER CLASS

Making due allowances, however, for inevitable weaknesses in the classification, it seems clear that our governors are fairly representative of the better class of business and professional men of their respective communities. The most serious charge that can be brought against them on this score is that their business experience seldom affords them opportunity to develop as administrators. They must usually acquire the art of organizing departments and bureaus, of solving the problems connected with the supervision of the work of thousands of men and women, after they take office. They become good administrators by the slow and painful process of making mistakes while the public pays the bills, unless their previous political experience has been such as to give them the necessary background. And in most cases it has not been adequate.

Eighty-four per cent of the governors whose records were examined had held public office previously. There were relatively few who had not held at least two offices each; the average was slightly more than two per man. Some of the positions held were of minor importance, as might be expected. The distinguished record of one governor prior to his elevation to the chief executive post of his state was: county treasurer, county clerk, sheriff, assessor. But his case was not typical.

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[1] Includes planters, livestock growers, and the like.

[2] Four publishers and six editors.

[3] Includes one missionary.

[4] A college president.

One hundred and thirty-four of the 187 men studied had held public offices of some importance before becoming governor. One hundred and thirty-two had been members of either house of the state legislature, and nearly one-fifth of these had been presiding officers. Twenty-seven had been judges of state courts, one of them a chief justice of the state supreme court, and six others associate justices. Twenty-six had been members of the federal House of Representatives, but only one sat in the Senate. Fifteen had been mayors of cities, and nineteen, members of city councils. Twenty-two had been heads of administrative departments of the state government. Superficially this is not a bad record. It is much better than the average American, with his cynicism toward all things political, would expect to find. Its most discouraging feature is the clarity with which it reveals the fact that our governors do not receive in their previous political experience the training in administration which is usually lacking in their business careers. Not more than forty of the men whose records were examined held administrative positions which could by any stretch of the imagination be thought to give them the background necessary for the office of governor. Among these forty were the mayors of several cities, members of the cabinet of the president of the United States, city and county treasurers, and such state officers as secretary of state and attorney general.

MORE INFLUENTIAL IN LEGISLATION

Though the governor is in name and in logic the chief executive officer of the state, he often finds that under the state constitution and statutes he has more control over the making of laws than their enforcement. His message to the legislature is a splendid opportunity to appeal to the people of the state. His veto power is a weapon not to be despised, and he uses it freely. In those states which give the power to veto items of appropriation bills the governor virtually determines the fiscal policy of the commonwealth. Walter F. Dodd sums up the result of this condition of affairs when he writes: "In his discouragement over any attempt to control the state administrative organization, the governor is likely to give up the administrative task as a hopeless one, and to turn to the field in which he has greater power, that of legislation." [1] The likelihood is increased several fold when the governor is a man with little or no understanding of administrative principles and methods. In state after state, governors with but slight executive capacity and no executive training have been elected and reëlected on issues connected with state policy. A promise to abolish the trusts may gain more votes than four years of wise and honest administration.

After two or four years of office the governor of necessity relinquishes the reins of power unless he is reëlected, and usually he is not. At the end of his term, however, he is potentially a more valuable man to his state than when he first assumed office. He has learned something of the technique of administration. He knows the needs of his commonwealth and the weaknesses of its government far better than most of his fellow citizens. He is a man who undoubtedly should be retained in the service of the state whenever possible. If placed at the head of an administrative department his experience should count for much. If sent to the legislature, where in all probability he has already served an apprenticeship, he should prove a most valuable critic of the administration.

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[1] State Government, p. 246.

GOVERNOR'S CHAIR END OF POLITICAL CAREERS

Unfortunately, the governorship has seldom been merely a milestone in a life of state service. Usually it has marked the end of a political career. According to Everett Kimball, "today governors regard the office as a stepping-stone to something higher—to the senate or the president's cabinet, or even to the presidency itself."[1] If governors are really looking for higher political honors, most of them must be bitterly disappointed. Of the 187 men whose records were examined, 70 per cent never held public office after leaving the governor's chair. That is in striking contrast with the 84 per cent who held office previously. Of the fifty-seven who formed the 30 per cent continuing their public careers, forty-five each held but one office, and no one held more than two.

Even more striking is a comparison of the number of those who served their respective state governments before and after a term in the governor's chair. One hundred and twenty-five held state office before becoming governor; nine held state office afterward. Two-thirds of those previously filling public positions were in the state service; less than one-fifth of those later chosen to office were connected with the state government, and most of them were given positions such as tax commissioner or state historian. In other words, the number of years a governor can remain on the state payroll is limited for all practical purposes by the number of years he can remain governor. Once he vacates that office his public career is likely to be over, unless he enters the service of the federal government. The number of men included in this study who later held federal offices is small—only forty-six in all; but it constitutes more than 80 per cent of those who continued in public life. Thirty were congressmen; twenty-three senators and seven members of the house of representatives. Six entered the diplomatic service. Two became vice-president, and one was chosen president of the United States.

FEW BECOME DISTINGUISHED LATER

It is easy to recall the names of distinguished men in almost any period of our history who have risen to greater prominence after serving as governor. Hayes, Cleveland, Roosevelt, Wilson and Coolidge were chief executives of their respective states. So were Hughes, Cox, LaFollette, Lowden and Johnson. But these men were exceptions. They may or may not have been skillful administrators, but they were endowed with unusual powers of leadership that captivated the public. And so the public bestowed upon them some of the highest honors it could confer.

Most governors have not possessed to such a high degree the rare quality of leadership, and so have been rewarded with nothing but popular disapproval. The governorship may sometimes be a stepping-stone to fame; usually it is a toboggan to political oblivion. It is a most surprising fact that of the 187 men elected governors of our states during the first decade of the present century, not more than fifteen were ever subsequently elected to any other office. This may be explained in part by an unwillingness on the part of the governors themselves to serve their states in inferior rôles, and also by the relatively small number of elective federal offices. It may be accounted for in some small measure by the death of a few of the men. But for the most part it indicates the extent of the difficulties a governor faces when he tries to retain the support of the public.

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[1] State and Municipal Government in the United States, p. 148.

Our governors are appealing for popular approval on the basis of their policies and their control of legislation. In so doing they are following a mistaken course. No one but a genius may hope to retain the favor of the fickle public over a period of several years on the strength of his ability to tell the people what they want to hear. What we need is greater emphasis on the administrative functions of the governor, and a recognition of the fact that he is the head of the state administration. This can be brought about in two ways—first, by giving the governor complete authority over a centralized state administration and holding him responsible for the enforcement of state policy; and, second, by choosing governors who are good administrators as well as good handshakers. The first part of this program can readily be carried out. It is well under way today. A number of states have followed the example set by Illinois in 1917 and have reorganized their administrative departments so as to centralize responsibility. Others will fall in line.

But the other and equally important part of the program, the selection of governors with administrative capacity, seems dangerously like a request for the millennium. Public opinion cannot be educated in a day or a decade to demand of its chief executives an entirely new set of qualifications. Until that millennium comes, however, our governors will still devote their time and energy to the shaping of legislation, and state administration will continue to be a synonym for inefficient government.

THE CONS AND PROS OF CIVIL SERVICE IN POLICE ADMINISTRATION

Does the independent civil service commission help or hinder through inept tests and division of responsibility? Excerpts from Report of Sub-Commission on Police of the New York Crime Commission and the reply of the New York Civil Service Reform Association. :: ::

FAILURE OF CIVIL SERVICE COMMISSIONS IN SELECTION OF PERSONNEL

From the Report on Municipal Police Administration to New York State Crime Commission

It is no exaggeration to declare that the selection of recruits and of supervising officers is the most important function that the police administrator has to perform. In no more positive and permanent way can he leave his mark upon the force for his successors to praise or to deplore. The business of selecting policemen is a matter requiring the exercise of a sound judgment and discretion because some of the qualities which enter into the making of a satisfactory police officer are of a nature to defy accurate measurement. It is possible to set up definite physical standards and, within modest limits, of intelligence also. These are essential qualifications for police service. Equally important, however, are such matters as integrity, tact, physical and moral courage, initiative and personal force. If the police recruit lacks any of these in marked degree he is clearly unfit.

Faced with this large task of measurement and selection the civil service system has confined itself to standards of measurements which are largely arbitrary. Tests of penmanship, spelling, arithmetical fundamentals, knowledge of geography, and the like go but a very little way in the selection of police personnel. It is of small moment that the applicant can locate the Tropic of Capricorn, or compute the number of rolls of wall paper required to cover a room of given dimensions. The police administrator is seeking neither navigators nor interior decorators. Selection tests now in general use by civil service commissions may prove effective in recruiting clerks and stenographers, but they are remote and ineffective in securing good, sound, human raw material for police work. The causes which underlie this condition consist in the fact that civil service control has been devised as a check upon the administrator, rather than as an aid to him in the performance of his duties. It is viewed as a means for curbing the coarser manifestations of political partisanship. Frequently, however, it fails even in this.

CONTROL BY CIVIL SERVICE COMMISSIONS

The police chief of one of the larger cities of the state admits that the civil service commission in his community is used for political purposes and that the best police applicants never lead the eligible list. In another city the ward leaders control the selection of police recruits and the places are parcelled out according to a fixed ratio for each ward. A commissioner of public safety states quite simply and frankly that "here, as elsewhere, it is a matter of 'arrangement' with the administration." The situation in one city has become so acute that the chief of police has been constrained officially to request the civil service commission to improve its methods of selection.

These are but illustrations of a condition which is generally recognized in police circles. The plain fact is that both civil service commissions and police administrators are appointed by and subject to the same municipal authority. If the city government is disposed to allow partisan considerations to run riot, that end can be secured about as easily with civil service control as without it. There is nowhere any one formula or statutory clause which will serve to prevent political manipulation.

Even in those instances where the spoils system has been actively combated civil service control has necessarily involved a division of responsibility which is fatal to lasting benefits from good administration. If the commission provides clerical misfits when the police administrator has asked for a quota of two-fisted guardians of law and order, it is the administrator, and not the civil service body, which must accept responsibility for the results. It is rare indeed that such a body is greatly concerned about the special qualifications of the applicants which it declares eligible for police service. The emphasis is placed upon the banishment of "favoritism."

It is time that these facts were squarely faced. It is time that we recognize that this divided responsibility has retarded police development by depriving police heads of a larger portion of their control of personnel. It is not within the bounds of reason to expect a civil service commission to be as thoroughly familiar with the demands of police duty as is the police administrator. It *is* reasonable to require that the commission shall submit its plans and its tests of qualification for approval by the police authorities, and that the responsible administrative head be granted a larger discretion in selecting recruits and making promotions from an eligible list.

This proposal contemplates that the civil service commissions in subjecting applicants to tests of their qualifications for police work shall place the emphasis upon the fact of qualification and not upon the percentage grade to be assigned. The best that can be expected from such tests is that they will serve to eliminate those who are palpably unsuitable material. The business of final selection must be left in more experienced hands. If the professional police administrator proposed in an earlier section of this report is given unrestricted power to make his appointments from the eligible list as a whole, then the full limit of effective regulation will have been applied.

INDEPENDENT CIVIL SERVICE COMMISSION ONLY DEFENSE AGAINST POLITICS

BY H. W. MARSH

Secretary, New York Civil Service Reform Association

WITH Colonel Chandler's motives, the Civil Service Reform Association has the utmost sympathy. All patriotic and public-spirited citizens will support every honest effort to improve the administration of police systems in every community and any steps that may be taken to secure the appointment of police officers on the basis of merit and fitness will have the cordial support of the Association. But means of improving the methods of selection of police officials will not be found by engaging in unjustifiable criticism against a system, when in fact there is ample evidence to offset it. It is not correct to say that "tests of penmanship, spelling, arithmetical fundamentals, knowledge of geography and the like" seem to determine the relative standing of candidates for appointment to police forces. On the contrary, arithmetic has a weight of but one point in ten in one-half the test given for patrolmen in New York City. The remainder of this half of the test, which is called the mental test, is composed of these elements: citizenship, which is the candidate's personal record and history (two points); memory (two points); and government and elementary duties (five points). The memory test consists of requiring candidates to report a statement which is read to all candidates alike at the same moment. The memory statement in the last examination used for patrolmen in the New York City police department was taken from certain sections of the book of rules of the police department. The questions on government and elementary duties invariably bear upon the work of a policeman. Upon completion of all these elements of the mental test, candidates are required to satisfy a physical test which is given weight equal to that in the mental test in the final average. With the methods employed by the municipal civil service commission of the city of New York, we have in that city a monument to the merit system in the corps of men employed on the police and fire forces. Police commissioners in New York City since the time of Theodore Roosevelt have almost universally praised the competitive examination system as the best known method for the selection of policemen.

The civil service examinations for patrolmen and officers in the police department generally, in the larger cities of the country, compare favorably with the examinations held by the New York city commission. Colonel Chandler's report, however valuable it may be in other respects, in the strictures which it places upon the value of the competitive methods of selecting persons for employment in the police forces of our cities, tends to create a wrong impression of the general value and the character of civil service tests for such positions. If these tests merely succeeded, as Colonel Chandler suggests they do, in checking "some of the coarser and more obvious forms of partisan manipulation" they would be justified. But they have done more than that. As has already been pointed out, when carefully and honestly administered, they secure the appointment of the persons best fitted for the work to be done.

MUST HAVE NON-POLITICAL POLICE

Experts on the problem of checking crime seem to agree that the main reliance must be placed upon the police and the efficiency with which the police operate. It is pointed out in a report recently made by Dr. Robinson, the secretary of a sub-committee of the National Crime Commission, as the result of an extended investigation of law enforcement in European countries, that a total of only 3 per cent of persons guilty of some 14,000 major felonies in two of the leading cities of Missouri have been found or had plead guilty. Dr. Robinson well states that to trust in the efficacy in punishing severely the 3 per cent while permitting the other 97 per cent to escape scott-free, is hardly evidence of the boasted efficiency or hard common sense of the American people. He points out that in Europe the people have built up *non-political* police forces that make it decidedly risky for an individual to engage in crime. What is needed, then, is something that will keep the administration of our police work free from politics. If civil service examinations will not, what will? The answer is obvious that civil service examinations will do it if properly handled.

About a year ago in the city of Indianapolis in fulfillment of a campaign pledge by Mayor Duvall, there was put into operation a set of civil service rules and regulations governing appointments and promotions in the police and fire departments which was intended, according to statements made by the mayor, as a means of checking political control of appointments and promotions in those departments. The men who were placed in control of the examination system, Mr. John F. White and Mr. Emerson W. Chaille, had the endorsement of the Indianapolis Chamber of Commerce and were well known in the city as men of the highest integrity and standing. A number of appointments to the police force were made as the result of examinations conducted under their supervision, and the people of the city, some of them reluctantly, agreed that here at last seemed to be a foothold for the merit system in Indianapolis. Cause for encouragement to the citizens of Indianapolis seems to have been short lived, however, for on September 2, last, Mayor Duvall announced the displacement of the then chief of police, Claude F. Johnson, and the appointment in utter disregard of his own civil service rules and regulations of Claude

M. Worley. Accompanying the announcement of the appointment of Mr. Worley in disregard of the civil service rules and regulations, came the announcement of the resignation of Messrs. Chaille and White as members of the civil service commission as a protest to the appointment of Worley. The Indianapolis *Star* in commenting upon the transaction in an editorial on September 3 states: "The public had been led to believe that ability and service were to be recognized to the exclusion of politics. The disappointment is keen now that it is made clear that political preferment again takes precedence."

MAYOR DUVALL'S BRAND OF CIVIL SERVICE

There may be in the Indianapolis situation the secret to some of the difficulty Colonel Chandler has in finding anything good to say about a civil service system. It is quite possible that Mayor Duvall of Indianapolis will seek to justify his arbitrary selection of a police chief on the ground that here is one position for which it is impracticable to conduct a competitive examination. In commenting on the resignation of Messrs. Chaille and White, the mayor is reported in the Indianapolis press as having said: "I'm glad White quit. We're going to have civil service all right, but we'll have it without a police civil service board. This making a fellow chin himself several times and run around the block before he's qualified to get on the police force seemed silly to me, anyway." No doubt it seemed silly to the mayor because it prevented the appointment of certain persons the mayor would have been glad to see on the force. Ability to run fast enough to catch a thief or a murderer and subdue him are apparently of secondary consideration with Mayor Duvall. But notice that he insists that "We're going to have civil service all right," but he's going to have a different brand.

Mayor Duvall has been convicted of violation of the Indiana corrupt practices act and, it is to be hoped, will not now be permitted to install his "brand" of civil service rules. It is such maladministration as that of Mayor Duvall in Indianapolis that very often misleads the public and casts discredit upon the merit system, a fundamentally sound and sane principle of government.

If the merit system is to be applied as a means of eliminating political considerations from appointments, it should be applied to the selection of a police chief as well as to a patrolman. Political consideration in the administration of police work cannot be eliminated in the rank and file unless it is also kept out of the authority at the top.

It may be true that if the appointing officer could be kept entirely free from political pressure and if he were willing and had the time to investigate the character, the ability and past record of applicants for appointment to the police force and if his sole purpose was to get the very best men possible, the result might be successful. Colonel Chandler himself, as superintendent of the New York state police force, was required by law to conduct his own examinations to test the qualifications of applicants for appointment. This he did with such success that we now have in New York state a very creditable body of men in our state police. But there are few appointing authorities who would be willing to take the time or who would provide adequate facilities to undertake the work of selection. Moreover, it would be wasteful and most unbusinesslike to expect such work of the head of department.

BOOKS AND PUBLICATIONS

Food Costs and City Consumers. By Charles E. Artman. New York: Columbia University Press, 1926. Pp. 170.

Here is a marketing book with a type of approach differing somewhat from that of the books that have previously occupied the field. It is based on a careful statistical study of the distribution of fresh fruits and vegetables in the New York metropolitan area, conducted by the United States bureau of agricultural economics and the Port of New York Authority. The work was done under the supervision of Walter P. Hedden, one of the foremost market statisticians of the country.

It will be of particular value to people who are interested in statistical study and analysis of the marketing problem. It should also appeal strongly to the consumer who is interested in reducing the cost of the food section of the family budget. To the producer it has a more indirect appeal, but it does explain some things about marketing costs that have been puzzling to the farmer.

The author shows the importance of food costs in a great city like New York and why they are higher there than in other cities. His description of the distribution agencies is very good. A summary of important research projects of a similar nature in other cities is a valuable feature.

The most significant single thing that comes out of the analysis of all the data is the "standard retail sale" as a basis of costs. Quoting the author, "The prevailing size of consumer's purchase is found to determine, in large measure, the proportion of consumer's price absorbed in distribution." The retailer, in other words, must have about so much margin per sale. When jobbers' operations were studied a different basis of setting margins was found. The study also makes an analysis by types of stores. The chain stores are shown to operate on the average, with lower margins than unit stores. This analysis also shows what delivery and credit add to the cost of marketing.

A few pointed suggestions are given at the end, most important of which are combined buying by unit stores and larger and less frequent purchases by housewives. The book is a valuable contribution to the literature of marketing.

C. S. McBride.

City Health Administration. By Carl E. McCombs, M.D. New York: The Macmillan Company, 1927. Pp. 524.

In the preface Dr. McCombs indicates as his objective in the preparation of his book on city health administration a work for the person "without professional training or experience, whether he is a teacher or student of government, a public official, or merely the 'man in the street.'" The book is therefore frankly elementary. However, it is not elementary in the sense that it is juvenile or incomplete.

It is elementary in that it gives much attention to the fundamentals of public health work. Problems of administration are developed in considerable detail, but the book stops short of the minutae of technical work. Great detail, especially technical detail, would not conform to the purpose of the work, nor would it seem desirable. Much is already available for the specialist who wants an exhaustive treatise on his specialty. The value of Dr. McComb's book lies in its comprehensive survey of the field and its discussion of the relationships and coördination of activities. Public health administration is a big subject, but the book covers it remarkably well.

The first chapters are devoted to a general review of health functions and current administrative practice. Early recognition is given to the division of public health work into measures for the prevention of disease and those for the cure of the sick. Chapter 2 develops the relationship of public health activities to the whole field of public welfare. It is concluded that the coördination of all health and welfare services in a single department of public welfare seems to be the ideal toward which municipal government is now progressing.

Proceeding to the broad relations between the preventive and curative health functions the ways in which these functions may be administered are described. Desirable and undesirable features of various plans of organization are presented, with numerous examples for illustration.

The remainder of the text is divided into two parts, one of which presents the detailed analysis of the organization and administration of sickness preventive functions, the other is devoted to sickness treatment functions. Thirteen chapters are given to the former and six chapters to the latter.

Information contained in the book is as constructive and definite as the limitations imposed by the varying conditions in individual cities permit. For example, the inherent weaknesses of the board of health as an administrative unit are pointed out but, as many cities will probably have such boards for some time, standards for them are suggested. When functional organization is discussed actual organizations are described and improvements outlined. Specific programs of work and practical tests of efficiency are included, and salary schedules and personnel requirements are concretely treated. Of special interest are the discussions of expenditures and revenues, including the health budget and the handling of funds.

Dr. McCombs has made a valuable addition to the literature of public health, a contribution which fits into a special niche that was not adequately filled.

C. A. Howland.

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Report of Kern County, California. An Analysis of the Expenditures of the County for the Fiscal Year 1925–26. California Taxpayers' Association. Pp., 78.

This report brings together the results of a survey undertaken primarily to appraise the efficiency of the government of Kern county on the basis of an expenditure analysis showing unit costs of objects and services secured. Since approximately 66 per cent of the total expenditures are for educational purposes, a large section of the analysis relates to educational expenditures. Tables and graphic charts set forth a vast amount of detailed information.

Only a few of the factors and suggestions can be noted here. One of the conclusions drawn is that the costs of elementary education can be reduced by standardizing the teaching load and by consolidating the smaller schools. Very significant comparative data is presented on the cost of school supplies. Large savings in the purchase of school supplies can be effected by inaugurating county centralized purchasing as recently provided for by legislative act. Considerable light is thrown on transportation costs by the comparative data showing wide differences in these costs among the several districts. On the basis of this data it is the recommendation of the survey that commercial buses should be substituted for transportation service operated by the schools themselves. An interesting feature of this section of the report is the rating of the physical plants of the five high schools of the county on the basis of total scores allotted according to the Strayer and Engelhardt system of rating.

In the analysis of expenditures for general county purposes, the report recommends the following: a more logical arrangement of the county government, involving a partial reorganization of present functional groups; the setting up of a proper accounting system for capital outlays and depreciation accounts; the keeping of a general ledger which will include assets and liabilities that will enable the ready issuance of a consolidated balance sheet; the adoption of a coördinated county highway plan and the use of a carefully kept record of highway maintenance costs; the installation in the county recorder's office of recording by direct photography; the increasing of interest returns on the large and excessive treasury balances by investing surplus cash in bonds.

It is very evident from the contents of the report that Kern county, California, maintains a high standard of administrative efficiency. This is a valuable study for the citizens of the county and for the students of public administration everywhere. It contains useful suggestions looking toward the improvement of governmental reporting.

Martin L. Faust.

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Manual of Municipal Accounting. By Lloyd Morey, A.B., C.P.A. New York: John Wiley & Sons, Inc., 1927. Pp. ix, 187.

This book contains 181 pages of text, forms, and skeleton accounts, presented as a typical municipal accounting system by one who has had experience with the subject. With this limited space, it is by no means exhaustive of the different types of transactions that may occur in any one municipality and, we judge, is not intended to be so. Some would doubtless deny the verity and practicality of certain principles presented by the author, while others would, nevertheless, endorse them. We must admit that some of the space is utilized with what seem to us inconclusive remarks; and although there is a certain sequence to the arrangement of material, one could, however, wish that the interlocking of the different records had been more definitely presented.

In a field in which there is so little of mature practice or published material, one may be pardoned, we trust, for making comparisons with other representative publications on the same subject as to the method of treatment. In this respect, we may say that Mr. Morey's work is similar to Mr. Eggleston's *Municipal Accounting*, but the former is more applicable to the smaller municipality. As a basic, comprehensive analysis of the subject, it is not in the same class as such a work as Mr. Oakey's *Principles of Government Accounting and Reporting;* nor does it present the basis for accounting principle to such an extent as is done in even such a pioneer work as the Metz Fund *Handbook of Municipal Accounting*. Doubtless the author consciously chose the scope he has given to his work; and we cannot say there is not a need for this form of treatment, especially since there is comparatively so little published matter on this subject, and since an expanded treatment can only with difficulty be made easy to read.

On the whole, we think that this book should appreciably assist in the promotion of better practices of municipal accounting, and it is to be hoped that it will have a circulation sufficient for that purpose. This is said in spite of the fact that this reviewer also disagrees with, or questions some of the principles, interpretations, and procedures presented. For example, we cannot see that the "property accounts balance sheet" (page 56) contains pertinent information when presented in this form; that the interpretation represented by "funded deficits" (page 37) has any reality unless it is based upon some odd provision of law with which we are unacquainted and which the author does not make clear; or that "proprietary accounts" (page 4) would not under certain circumstances be convenient for the purpose of controlling treasury operations, even though not pertinent as information for budget making purposes. On the other hand, the author shows discriminating thought in avoiding fallacies that are often found in municipal accounting systems. For example, he segregates fund surpluses available for appropriation, and does not confuse them with any fictitious surplus resulting from capital assets; and he makes practical, real interpretations of "accrued expenses," "deferred expenses," "refunds of receipts," and "depreciation," as they apply to municipal financing.

It is refreshing, too, to find that he stresses "thoroughness rather than simplicity" in an accounting system, in spite of a rather general indulgence by some towards inadequate accounting on the part of municipal accounting officers and employees who are untrained for their posts. Mr. Morey evidently considers that such employees are not to be excused from a training in accounting, and that the remedy lies in selecting employees with the necessary qualifications. If this is his view, we wish to endorse it.

William Watson.

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City of Milwaukee. Report of the Common Council of the Activities of the City Departments, Boards and Commissions for 1926. Pp. 93. Compiled and edited by Frederick N. MacMillin, Municipal Reference Librarian.

Here is a municipal report ranking among the best of the year. The length and its irregular size are its chief defects; however, one is inclined partly to overlook these in view of the many good qualities. Had it been printed on the usual report size—7" x 9" instead of 8" x 11"—it would have consumed nearly 150 pages, thus far exceeding the customary length of such a report intended for extensive reading.

It contains an excellent table of contents and the reading material is divided into short paragraphs, appropriately headed in bold type to expedite finding. Another excellent feature is the short statement of organization and duties preceding the report of the various governmental agencies.

Over thirty well-selected photographs "break" the reading material and add to the interest of the report. Some graphs and charts could have been used to advantage as a substitute for much of the printed material, thereby considerably shortening its length.

The report is well balanced in dealing with the various activities. The division of the material follows: common council, 5 pages; executive and administrative, 5; public works and public utilities, 12; public safety, 6; health, 10; city planning, 3; public welfare, 5; education, 10; and the statistical material for all departments is placed in an appendix of 21 pages,—an excellent plan in a long report. This is an attractive, complete, properly balanced and exceptionally well-edited report.

Clarence E. Ridley.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Parks—Purposes for Which Park Lands May Be Leased.—Lands dedicated for public parks are held by municipalities charged with the public trust which limits their use to park purposes. The concept of a park purpose is much narrower than that of a public purpose, but is subject to be enlarged with changed social conditions or by legislative declaration of state policy. Thus in recent years the use of parks for golf and other athletic games has been generally sanctioned and in some instances the legislature has authorized uses which otherwise would have been forbidden as not for a park or even for a public purpose. In *Slavich* v. *Hamilton*, 257 Pac. 60, the supreme court of California had before it on appeal an application for a writ of mandate to compel the chairman of the board of supervisors of the county of Alameda to execute a lease of certain park lands from the city of Oakland for the erection of a veterans' memorial hall, as authorized and directed by the board. The defendant set up that such a use would be inconsistent with the purpose to which the land was dedicated and that therefore the city which had authorized the lease on its part was without authority to enter into the contract.

While under its home-rule charter the city evidently had empowered itself to use its public parks for any kind of municipal buildings, the court refused to enter into the question whether such a provision would be upheld as against a dedication of lands for park purposes by a private individual as in the case before it. It placed its decision that the city had authority to make the lease on the broad ground that the erection of a veterans' memorial building to be used exclusively for meetings of patriotic associations comes within the legal definition of a park purpose as clearly as an art gallery, museum, botanical conservatory or more formal and less useful monuments.

On July 28, Justice Gibbs of the supreme court of New York, in the case of *Tobin* v. *Hennessy*, 223 N. Y. Sup. 618, refused to issue an injunction *pendente lite* to restrain the commissioner of parks of the Borough of the Bronx from issuing permits to private individuals for the use of portions of Pelham Bay Park for camping or residential purposes Through the course of ten years, the custom of issuing such annual permits has been growing till now there are erected upwards of 650 bungalow camps with a summer population of approximately 3,000 people on the park property. In May of this year, Justice Mitchell in an action between the same parties had issued such an injunction, stating in his opinion that the park was one of the beauty spots of the city, made so by God, and should be kept free and open for the unrestricted use of all the people. Soon after this decision, the municipal assembly under the home-rule provisions of the state constitution adopted a local law authorizing the issuance of such licenses and the collection of rent therefor until such time as that portion of the park "shall be actually laid out, regulated, beautified and utilized for the purpose of the park under an appropriation therefor made in pursuance of law." Justice Gibbs upholds the local law as a valid exercise of the city's power to lease its park lands that are undeveloped to private individuals. In these New York cases, it is to be noted, the question of the dedication of lands for park purposes was not involved, the property so far as the opinions indicate, having been purchased by the city or acquired by condemnation.

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Zoning—Reasonableness of Regulations Affecting Use.—In *Village of University Heights* v. *Cleveland Jewish Orphans' Home*, reported in 20 Fed. (2d) 743, the circuit court of appeals of the sixth circuit had before it the constitutionality of a general zoning ordinance which in effect would exclude the petitioner from constructing buildings for use as an orphanage on some thirty acres of land in class U 1 district, wherein buildings for orphanages were restricted to (a) lots already devoted to such use; (b) lots opposite a block front where such a building is already located; (c) lots adjacent to or opposite a public park or playground; (d) lots adjacent to or opposite a class U 2 or U 3 district; (e) on a lot approved by the city planning and zoning commission for such purpose. The land in question did not meet any of the first four requirements and the commission found that the public welfare and convenience would not be served by the intended use, although the buildings to be erected complied with all requirements as to height, area, construction and set-back lines.

In affirming a judgment of the lower court, enjoining the village from enforcing the ordinance as against the petitioner, the court held that these provisions of the ordinance were clearly arbitrary and unreasonable. "The question," said the court, "is whether the proposed use is so different in character from concededly legitimate uses as to bring it within the police power of the municipality." Would a home for orphan children consisting of separate cottages and under careful supervision affect the interests of the community more deleteriously than a private school or a hospital? While the court recognized the validity of excluding factories, business houses, shops and even apartment buildings from certain designated districts, it states that it is unwilling to hold that the village has power to prohibit the use of cottages for this purpose.

It is to be noted that the restriction in question was not applicable to the entire district and the exceptions were so broad as to make doubtful its validity if applied even to apartment houses. The effect upon the public interest of withdrawing the land in question from taxation, of requiring the enlargement of school facilities in that section of the city and of bringing into the local school a majority of children of a single race or creed, findings upon which the commission based its action, would also obtain if the orphanage were located anywhere else in the village. The decision is a salutary one in pointing out the limits of municipal control under zoning ordinances and in defining the scope of "reasonable" regulation.

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Torts—New York Towns Held Liable for Negligence under Motor Vehicle Law.—In *Jones* v. *Town of Clarkson* (223 N. Y. S. 611), Justice Rodenbeck, in denying a motion to dismiss the complaint, held that towns in New York are liable for negligence of an employee in the operation of a motor truck upon the public highway in connection with a duty imposed by law. The general rule is that towns and counties as involuntary agencies of the state are not liable to persons injured by the negligent acts of their employees unless liability be imposed by statute, a rule based upon the immunity of the sovereign and carried over to include the agencies created by it. This doctrine as to quasi-municipal corporations is still followed by the courts in all its integrity, although the state and its political subdivisions have in some instances been subjected by statute to liability quite as extensive as are private corporations.

The court predicates the liability of a town in the instant case upon the provision of the Motor Vehicle Law, which imposes a liability for negligence upon "every owner" of a motor vehicle under certain circumstances and holds that this language is sufficiently specific as to include a town even when engaged in the public governmental duty imposed upon it of caring for the state highways. In support of this conclusion, the learned justice says:

> In view of the tendency to relax the rule of exemption of the sovereign and its political creations from liability, it ought not to be necessary to point to a statute imposing a liability upon towns by name, where the statute is broad enough to cover such a political organization. The reason for the rule ought not to prevail over the justice of the case. The language of a statute should not be strained by construction from its obvious meaning to sustain an ancient theory of sovereign liability. If it is necessary to protect the state and its political divisions against liability for torts, it is equally necessary to protect innocent persons from injuries through the negligence of public officers, servants, and agents. The use of the motor vehicle has become so general that the legislature deemed it necessary to enact that "every owner" should be liable for injuries occasioned through the negligence of one who is permitted to drive his car upon the public highway. Why should not the liability extend to a town, which is the owner of a truck? Is a town to be permitted to send out a truck upon the public highway, operated by an incompetent driver, and injure persons through his negligence, without recourse against it?

The broad application of the doctrine enumerated by the court would include fixing the liability of cities for negligence in the operation of fire trucks, and in those states as Ohio where the collection of garbage and Pennsylvania where the cleaning of streets are denominated governmental functions as to liability for tort[1] a similar statute construed in the same way would overcome the common law immunity which now obtains. It may well be questioned whether the legislature intended by its statute to go so far as the court indicates. But the decision seems to do no violence to the classical canons of statutory construction, and no one can gainsay that the effect of the adoption by the higher courts of this broader construction of statutes imposing liability for tort to include the agencies of the state would be most salutary in bringing the law into closer accord with the *mores* of our modern society. It may be that Justice Rodenbeck's decision in this case will lead us a step closer to the doctrine of the English courts that it is an implied term of the imposition of a public duty upon a governmental agency with full power to carry it into effect that the agency shall be responsive to action in tort as are corporations organized for private gain.

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[1] *Gorman* v. *Cleveland*, Ohio Law Bulletin 477 (May, 1927); *Sciblia* v. *Philadelphia*, 279 Pa. 124, 124 Atl. 273.

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Taxation—Powers of Home-Rule Cities.—The supreme court of Missouri in *Siemens* v. *Shreeve*, 296 S. W. 415, had before it the question of the control that could be exercised by statute over the taxing powers of a home-rule city. The charter of Kansas City framed in 1908 by the people under the authority of the home-rule provisions of the constitution of 1875 gave the city the power by ordinance to license, tax and regulate all trades, occupations, professions, etc., whether enumerated in the charter or not, to classify them and fix the license fees to be paid. The petitioner was tried and convicted of practicing the profession of architecture without first obtaining a license, and sued out a writ of *habeas corpus*, claiming that the ordinance was invalid in that the charter did not include architects in its enumeration in view of a statute, section 8702 R. S. 1919, which provides that "No municipal corporation in this state shall have power to impose a license tax upon any business avocation, pursuit or calling, unless such business avocation, pursuit or calling is specially named as taxable in the charter of such municipal corporation, or unless such power is conferred by statute."

In discharging the petitioner, the court holds that the statement made by the supreme court of the United States to the effect that a home-rule city in Missouri is an *imperium in imperio* (*St. Louis* v. *Western Union Tel. Co.*, 149 U. S. 465) is true only within prescribed limits. The constitution of the state declares that the home-rule charters shall be "consistent with and subject to the constitution and laws of the state." To treat the charter, therefore, as beyond the reach of the laws of the state would be to nullify the express constitutional provision. Further, the constitution provides (Sec. 1, Art. X) that the "taxing power may be exercised by the general assembly for state purposes and by counties and other municipal corporations, under authority granted to them by the general assembly, for county and other corporate purposes." As taxation, whether exercised directly by the state or by municipal corporations, for local revenues, is fundamentally a state function the court concludes that the statute controls as against the provision of the charter. The case disposes of any doubt that may have been left on this point by the earlier Missouri decisions.

⁂

Organization—When Subject to Test by Certiorari.—In *Brown* v. *Long Beach*, 258 Pac. 693, decided by the district court of appeals of the Second California District, August 4, the court reversed the order of the lower court which refused to grant a writ of *certiorari* to review the regularity of the reorganization of the city of Long Beach. The city following the statutory procedure annexed a large non-contiguous area some thirty-three miles distant by including a connecting shoe-string strip one hundred feet wide, which action the petitioner sought to review and have set aside upon the ground that it violated the requirement of the statute which conferred the power to annex only contiguous territory. An application to the attorney general for a writ of *quo warranto* had previously been refused. The importance of the case as affecting similar annexations by other cities in California caused the city of Los Angeles to appeal and file briefs as an *amicus curiae*.

In holding that the validity of the proceedings taken by the city may be reviewed by *certiorari*, the court based its conclusion upon the finding that under the facts stated in the petition the action taken was null and void and resulted in the organization of neither a *de jure* nor a *de facto* corporation. It holds that a *de facto* corporation cannot come into existence unless the organizers act in good faith and that the case of the shoe-string strip devise was but a subterfuge to circumvent the statute. If the proceedings created as to the organized territory a *de facto* corporation, it is well settled that its existence will not be subject to collateral attack but can be questioned only by *quo warranto* at the instance of the state (*Coe* v. *Los Angeles*, 42 Cal. App. 479, 183 Pac. 822).

For reasons of public policy the courts in their discretion have materially limited the right of the state itself to maintain *quo warranto* proceedings after rights and liabilities have accrued. Even an organization under an unconstitutional statute has been sustained as against the action of the state because of the confusion that would otherwise result.[1] As the issue of fraud is a subject of inquiry in *quo warranto* proceedings (*Jackson* v. *Harrington*, 160 Mich. 550; 125 N. W. 66) it would seem that the court has gone somewhat afield in leaving the vital question of good faith to be reviewed by *certiorari*. Although the decision may be supported on strictly logical grounds, it appears to do violence to the principles of sound public policy which would dictate that the regularity of the organization of municipal corporations should be tested only by the state itself in an action *quo warranto*.

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Remedies—Mandamus to Compel Payment of Judgment.—The limitations upon the right of a judgment creditor to compel the payment of a judgment against a municipality by mandamus is illustrated in *Shamrock Towing Co.* v. *City of New York*, 20 Fed. (2d) 444. The applicant obtained a judgment in admiralty against a private corporation and the city, one-half to be paid by each and in default of collection from either then the other defendant to be subject to pay the total judgment. An execution issued against the private corporation was returned unsatisfied and a certified copy thereof and of the return was served upon the proper officer of the city. Upon refusal of the city to pay, the libellant appealed for a writ of mandamus.

The district court refused to grant the writ on the ground that the libellant had not exhausted his other legal remedies. By section 264 of the Greater New York Charter, an execution may be issued on a judgment against the city after ten days notice in writing if the recovery of the judgment has been given to the city comptroller. Although none of the property of the city held for a public purpose is subject to execution, such property as it holds in a private capacity and not charged with a public trust may be so attached. Until such execution is issued and returned unsatisfied, an application for a writ of mandamus to the officers of the city to compel payment will be refused.

Thus, if there is a remedy by action for a salary or pension, mandamus cannot be granted till the legal remedy is exhausted (*Bushell* v. *Devir*, Mass., July 1, 1927, 157 N. E. 529). Upon the same ground it has been held in numerous recent cases that the writ will not be granted to compel the issuing of a building permit, unless an appeal from the order of the officer denying the application is first taken to the board of adjustment or to such other board as may be authorized by statute or ordinance to hear such an appeal (*Raskind* v. *Dowling*, N. J., July 9, 1927, 138 Atl. 103).

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[1] *Coast Co.* v. *Spring Lake*, 56 N. J. Eq. 615; 36 Atl. 21. *Attorney General* v. *Methuen*, 236 Mass. 564; 129 N. E. 662. See also, *Commonwealth* v. *Pottsville*, 246 Pa. 468; 92 Atl. 639.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

The St. Louis & O'Fallon Appeal.—On October 5 the appeal in the St. Louis & O'Fallon recapture case was heard in the United States district court at St. Louis, Mo. This case has been discussed in this Department,[1] also in a special article[2] in the REVIEW. The principal issue is, we believe, of enormous public interest. The case involves the recapture of excess earnings under the provisions of the 1920 Transportation Act. The interstate commerce commission computed the excess on the basis of its valuation under the 1913 Valuation Act, and as modified by subsequent additions, retirements and depreciation. To a large extent, this represents the equivalent of "prudent investment," with, however, substantial adjustment to higher present level of prices. The company claims the legal right to have the excess determined on the basis of reproduction cost.

The chief question before the court is the proper basis of valuation for the purposes of the 1920 Valuation Act. The commission considers the principles and methods adopted in its decision as necessary to carry out the plan of regulation established by congress. They would furnish not only "fair value" upon a reasonable basis, but would provide a financially sound system of regulation, both safeguarding the returns properly expected by the investors and attracting new capital as needed in the interest of transportation for the country at large. They are essential, moreover, to the reasonable administration of the statute.

If reproduction cost were taken as the basis of railway rate-making and recapture of excess earnings, the immediate valuations would be unreasonable and would place an undue burden upon the commerce of the country. For the future, reproduction cost would be financially unsound, particularly because two-thirds of the normal railroad investment is represented by bonds with fixed contractual returns, and only one-third stock with a possible variable return according to change in prices. Hence upon the reproduction cost basis the return to the stockholders during rising prices would increase much more rapidly than prices, and during the reverse course would diminish much more rapidly than the fall in prices. There would thus be speculation during one period, and impairment of credit and financial disorganization during another. Moreover, the work of regulation would be rendered extremely difficult and would practically defeat the purpose of recapture.

It is reported that over fifty large railroads of the country are joining the St. Louis & O'Fallon Company in the appeal to support reproduction cost. Where, we ask, is there a corresponding public support of the interstate commerce commission? All cities, state commissions and other public bodies should join with the commission in seeking the establishment of a fair, sound and workable basis of regulation for the future. This case promises to be the decisive battle between reproduction cost and prudent investment as the fundamental legal basis of rate-making, and will finally be determined by the Supreme Court of the United States.

✤

Drive Against Government Ownership.—Reports have gone out from the recent Cleveland meeting of public utility associations that a campaign would be launched against public ownership. According to press reports this drive will be carried to congress, particularly against the proposed Boulder Dam and Muscle Shoals hydro-electric projects; presumably also against the Niagara-St. Lawrence development in New York sponsored by Governor Smith. It is to be, however, a program of "education" for legislators, public officials and others capable of education; not the "lobbying" of former times.

The proposal based upon the press summaries of the speeches appears a bit ridiculous and, it seems, would have the opposite effect contemplated. To many sincere and intelligent people it will furnish a strong reason for government ownership. The view expressed repeatedly in this Department is that neither government nor private ownership and operation can be accepted as a matter of doctrinal faith, and as guiding principle in every instance. The question of what constitutes best policy is to be answered in terms of fundamental economic and technological factors, and of particular financial and corporate circumstances in individual cases. This requires painstaking investigation and study, and intellectually untrammelled action. When leading public utility interests whose aggregate investments reach close to $20,000,000 announce propaganda supported by all the legal and technical ability that vast wealth can commandeer, it would seem to be high time for clarion calls to mobilize all public interests and intelligent opinion in favor of unbiased policy,—if the proposal in itself were not absurd and were not certain to work a boomerang upon its proponents.

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[1] May, 1927.

[2] July, 1927.

One may ask, "Why organize the special propaganda at this time when everything seems to have been going very well indeed for the utilities, especially electric light and power?" Is the answer perhaps that many successful utilities are top-heavy and may be toppled over by a few successful public enterprises? Possibly the far-flung consolidations of electric properties during recent years through holding company systems, based upon reproduction cost and other over-capitalization, would be endangered by lower rates which would soon become available to the public. No one who has an intelligent interest in reasonable development, with due regard for investors as well as consumers, also for industry depending upon adequate service and reasonable rates, can have witnessed some of the grotesque consolidations of recent years without grave misgivings over the financial results when inevitable rate reductions will be put into effect in line with present-day available costs under modern methods of production and distribution. Three or four successful public enterprises would doubtless hasten the collapse which in many cases must follow upon the capitalization based not only upon reproduction cost, but also the earning power at rates under old methods of production and distribution, and the savings available under modern conditions. The consolidations doubtless have greatly advanced actual economy of operation, but too many have capitalized unattainable expectations and are endangered by public enterprises capitalized only at present-day cost of plant and equipment.

⁂

Cost of Railroad Financing.—The interstate commerce commission in a decision and order on September 9, 1927, moved the ball along toward better standards of railroad and public utility financing. It authorized the New York, New Haven & Hartford Railroad Company to issue $49,036,700 par value cumulative 7 per cent preferred stock to be sold at no less than par. This may subsequently be converted share for share into common stock. The proceeds of the funds were to be used substantially for the payment of 6 per cent notes held by the United States Government in settlement of obligations in connection with federal operation.

The order thus permits directly the substitution of 7 per cent preferred cumulative stock with dividends paid if earned, for 6 per cent notes with fixed interest obligations. The charges ahead of the common stock are thus increased by $490,367. Its justification is based upon the readjustment of the financial structure; the fixed interest securities are reduced from 67 per cent to 57 per cent of the total capitalization, while the stock without fixed interest is increased from 33 per cent to 43 per cent. This readjustment in itself should improve the credit of the company and enable it subsequently to do its financing on more favorable terms.

This objective was duly approved by the commission notwithstanding the greater demands upon income ahead of the common stock. Besides the increase of 1 per cent of return required in the readjustment of securities outstanding, the company had entered into an underwriting agreement with J. P. Morgan & Company providing for a 2 per cent commission, aggregating $980,734 on the entire issue. This agreement was disallowed by the commission. It did not approve the necessity of this payment for the services rendered, especially in view of the high return and attractive conditions of the preferred stock issue. It pointed out that the subscription rights were valuable to the existing stockholders, so that a considerable amount of immediate cash could be realized for the purpose of liquidating the government note by October 15. For the rest of the cash needed there should be no difficulty in making arrangements with banks under provisions for partial payments at interest dates.

In a concurring opinion, Commissioner Woodlock pointed out that the disallowance of the underwriting fees is based upon the commission's duty to effect the maximum enonomy in raising such new capital as may be found proper and necessary. "Whatever method of raising this capital would best accomplish this result is the method which in my judgment is indicated by the law for approval by this commission." This principle sets the proper standard and will, if properly carried out, protect the public interest against financial exploitation in the huge amounts of future railway financing.

The same principle should be embodied in public utility statutes of the states. All public utility financing, together with all the arrangements with banking syndicates, should be carefully scrutinized by the commissions. The cost of financing should be kept at a minimum, consistent with the actual and reasonable requirements of utility developments. No arrangements should be approved which impose a higher return and greater cost of financing than is necessary to obtain the capital or readjustment of securities in the interest of public service.

⁂

Cleveland Municipal Utilities in 1926.—Howell Wright, director of the department of public utilities, Cleveland, Ohio, recently issued two annual reports to the city manager covering the operations and developments of the utilities owned and operated by the city. The first covers the division of light and power and the second the division of water and heat. The first is of particular public interest because Cleveland is one of the few large cities to own and operate an electric plant on a regular commercial basis in competition with a private company which has franchises over the greater part of the city.

In comparing the municipal plant with the properties of the Cleveland Electric Illuminating Company we face first the fact that the scope and operation of the municipal plant are much more limited than those of the company. The total generating capacity is only 50,000 kw., with an output of 165,000,000 kw.h. in 1926, which is small compared with the company's principal plant of 288,000 kw., a second plant of 70,000 kw., and total output of 1,118,000,000 kw.h. in 1926. In view of the difference in size, the company should have a large margin of advantage over the municipal plant. It can use the largest and most efficient generating units, has a much broader spread for overheads, and ought to have a better load factor.

Actually the municipal results compare favorably with the company's. The figures, however, are not comparable in all respects as available to the writer. The most important comparison appears in the relative operating expenses, including actual maintenance and operation. Without including depreciation, the operating expenses in 1926 per kw.h. generated were 0.93 cents for the municipal plant, and 1.06 cents for the company. The provision for depreciation by the municipal plant seems to be the more liberal; it has an accrued reserve of 30 per cent to the total plant cost, compared with only 14 per cent on the part of the company. The plant investment as reported amounts in each case to about $4.00 per $1.00 of revenue; the output was 13.1 kw.h. per $1.00 of investment in the municipal plant compared with 12.4 kw.h. for the company. On the basis of present conditions, therefore, the municipal plant appears to be in a favorable competitive condition. Whether this can be maintained indefinitely for the future is, of course, a different question which can be answered only by experience.

The operating results are briefly summarized. The operating revenues amounted to $3,110,301.77; the total operating expenses, including depreciation, were $2,150,909.42, leaving a net operating income of $959,392.35. There was miscellaneous non-operating income $139,134.37; the interest and various income deductions were $387,448.60, leaving a net income of $711,078.12. This compares with $582,947.44 in 1925; $573,916.06 in 1924; $417,642.64 in 1923, and $223,292.91 in 1922. These are figures for net surplus after the payment of all actual costs incurred, including interest on bonds outstanding. The department is required to set up an amount for taxes on the same general basis upon which the company is required to pay. The total of taxes accrued for 1926 is thus $357,467.33, which is reserved and not actually paid; it is really a special surplus account. After the deduction of taxes, the remaining income is $353,610.79; net surplus after all charges including operating expenses, depreciation, taxes, rentals and interest on the investment.

Perhaps the most important point in connection with the municipal plant has been its influence upon the rates charged, especially for commercial and domestic lighting. The maximum rates are five cents per kw.h., and have been applied also by the company. The existence of the municipal plant, with its successful operation, has doubtless obtained for the ordinary lighting consumer at least a two cent lower rate than would prevail otherwise. Cleveland is the only city of its size with a five cent general lighting rate; seven cents is generally the lowest rate paid in cities of the same class. The saving to the consumers supplied by the company is probably greater than the total operating expenses incurred by the municipal plant. The latter would thus justify itself even if it were operated at a complete loss, provided that the company is able actually to furnish adequate service and earn a fair return on its property under the existing rates,—and it appears to be doing very well, since it has added substantially to its reserves and surplus during recent years and has been paying 10 per cent dividends on its common stock.

As to the division of water and heat, the results do not stand out as satisfactorily as for light and power. Extensive improvements have been made in recent years, and the revenue consumption of water has apparently not come up to the available plant capacity. The division has only recently installed a satisfactory cost system and is awaiting the results before attempting any financial readjustments. It is expecting, however, to put into effect a general increase in rates. This will apply not only to the city of Cleveland but to about thirty-five suburban municipalities which are served by the city. The intention is to place the water division on a self-sustaining basis in exactly the same way as the division of light and power.

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Emergency Fare Increase Denied.—On September 20 the Maryland public service commission refused to grant an *emergency* increase in fare to the United Railways and Electric Company of Baltimore. The case involves an interesting issue which has been briefly summarized by Thomas J. Tingley, people's counsel, opposing the company's petition.

It was the contention of the Railways Company that its failure to earn a compensatory rate of return on its property from 1920 to date, coupled with a decline in revenue passengers and passenger revenue for each month except January of this year under the figures for the same months of 1926, constituted an "emergency" entitling the company to summary rate relief pending the determination of its application for a permanent ten-cent fare. It was the contention of the opponents to the application that no emergency existed and that emergency relief should be granted only where the continuation of service or the company's control of its property or the public interest were jeopardized. It was admitted by the president of the applicant company that it was not threatened with insolvency during the two or three months period before the final decision and that it could meet its obligations maturing during the period; that maintenance and operating expenses were being earned; but that the fact that dividends were not being earned threatened the company's credit position.

People's counsel and other opponents of the temporary increase contended that Chapter 335 of the Acts of 1927 was controlling and did not authorize temporary relief in such a situation, but only when the public interest or the provision of adequate and efficient service or the preservation of property required the relief. They further contended that similar provisions as to public interest in the statutes of other states were uniformly construed as applicable only to rate decreases, that no proof had been produced that the service of the company was threatened, and the preservation of property meant the preservation of the company's physical property and not protection against confiscation. As to this latter point, they contended that not only had the courts and commissions of other states declined to hold that preservation of property meant assurance of a fair return but that the courts had held orders of commissions so construing similar language to be unlawful and unreasonable. The order of the commission found that no emergency relief was necessary in the public interest or for the purpose of providing adequate and efficient service or for the preservation of property.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Boston Finance Commission.—Since September 15 the commission has issued reports on: expenditures for public celebrations since 1912 and comparative analysis of tax rate for 1926 and 1927. It has continued the preliminary study in connection with proposed survey of the Boston public school system, under the auspices of the department of education, Harvard University.

✣

California Taxpayers' Association.—Following a request by the city council of Santa Paula, the Santa Paula City Committee of the California Taxpayers' Association was formed. This committee, immediately after its organization, undertook a comprehensive study of local conditions, with the idea of preparing a plan which would provide for the future needs of the community.

This plan, which is now complete, indicates that the city of Santa Paula needs storm drains, flood protection, sewers, a new city hall, paving, and several other improvements. The report analyzes the entire problem and considers the several requirements in accordance with their relative importance and necessity. The recommendations include a ten-year financial program. In addition to covering needs of the municipality, consideration is also given to the elementary and high school districts.

✣

Citizens' Research Institute of Canada.—The Institute has compiled data on the total amount of taxes levied by all the governments in Canada, —dominion, provincial and municipal, including boards of education, counties, townships, etc.,—and has issued a report based thereon entitled, "What Price Government?" This report deals with the relation between taxation and total "net" production. It also gives the relation of local taxation, *i.e.*, provincial and municipal, to the net production in each province. The trend of taxation in Canada during the last few years is also shown.

A study is being made of the amount of taxes levied in Canada, Australia, Great Britain and the United States by all governmental authorities. It is hoped to be able to show, at least in a general way, the sources from which governments of a corresponding nature in the respective countries derive their revenues and the relative amounts derived from the most productive taxes. A report based on this subject will be issued in October or November.

✣

Des Moines Bureau of Municipal Research.—The Des Moines Bureau of Municipal Research recently invited the members of the four taxing bodies of the city and county to a luncheon meeting for the purpose of urging the county to hold down the 1928 tax levies. Data were presented showing the tax burden on numerous business and residential properties and comparing various local tax factors with those of other competing cities. Influenced by the evident desire on the part of representative citizens to hold down taxes, local taxing bodies have held their 1928 tax levies to a point only slightly in excess of the 1927 levy and under that of 1926.

The Bureau, at the tax budget hearing, formally objected to the 1928 tax levy certified by the Polk county public hospital trustees. The objection maintained that the levy was defective in certain legal respects and that the large increase required was unjustified in view of present business conditions. The levy was later decreased.

The Bureau recently assisted the county supervisors and county treasurer in straightening out a complicated situation resulting from the erroneous issuance of old county bridge bonds, payable only from property outside the city limits, as county funding bonds payable from all taxable property in the county. Thus city property owners have been paying off bonds not chargeable to their property. This came about a number of years ago by the printing of bonds as funding bonds which were authorized as bridge bonds.

The Bureau has employed counsel to obtain a test ruling from the courts as to whether or not the clerk of courts is entitled to retain fees as a member of the county insane commission. The state law is not clear on the subject. There have been conflicting rulings by different attorney generals. If the court decides the clerk is entitled to retain these fees, it will open the way for collection by clerks of court in all Iowa counties of large amounts accruing since 1924.

⁂

Taxpayers' League of St. Louis County, Inc. (Duluth).—The grand jury met at Virginia, Minn., on September 6 to 10. All members of the League staff were called as witnesses. Assistance was rendered the county attorney by the staff in the preparation of evidence and in securing witnesses relative to affairs in the sixth county road district. The grand jury indicted one foreman on two counts—"perjury" and "presenting false claims"—and the trial will take place sometime in the near future.

A very fine report was made by the grand jury recommending to the district judges that a committee of citizens be appointed to continue the investigation of county affairs, and to supervise a general survey of all county offices and activities.

The grand jury reported that conditions in St. Louis county were "deplorable," and in effect substantiated all charges of waste and extravagance made by the League in its recent bulletins. The report was published by the League as Bulletin No. 74.

Work on investigating county affairs has continued. The effectiveness of this work is demonstrated by the reduction made in the last three months in road expenditures. During the first six months of the year the expenditures averaged about $50,000 per month more than the expenditures for the same months in 1925 and 1926. Since the beginning of the League's publicity program, road expenditures have been reduced from $30,000 to $90,000 per month below the figures for the same months in 1925 and 1926.

The classification and standardization of positions in the library service has been completed, and approved and accepted by the civil service commission. It is now before the city council for final adoption.

The city budget for 1928 has been analyzed and the requests reviewed with most of the city commissioners. A recommended budget was worked up and presented to the commissioner of finance for his consideration. Next year's budget must be given careful consideration if the tax rate is not to be unduly increased. An analysis of next year's city budget has been prepared for publication, and is now in the hands of the printer. Such budget estimates as have so far been prepared by the various county offices have been reviewed.

Considerable work has been done with the fifth district commissioner in preparing his request for appropriations. This work is following the principles recommended by C. E. Rightor of the Detroit Bureau of Governmental Research. Several other commissioners have asked the League to assist in improving the accounting system in their districts.

A report has been prepared covering the taxation situation in the city of Duluth, the board of education and the county, and contains certain recommended legislation. This report was presented in October to the legislative interim committee on local taxation.

The survey of the water and light department is now in progress. For this work the services of C. E. Rightor of Detroit have been retained.

⁂

Fall River, Massachusetts, Taxpayers' Association.—The Taxpayers' Association of Fall River, Mass., is the latest addition to the growing list of research organizations. Offices of the Association were opened at 54 Buffington Building in September when Howard G. Fishack, a former member of the staff of the Detroit Bureau of Governmental Research and for the past three years executive secretary of the Grosse Pointe (Mich.) Citizens' Association, was employed as director.

The need for a citizens' organization in Fall River has been apparent for some time past. A meeting of all interested parties was held under the auspices of the Chamber of Commerce in January, 1927. Shortly after the initial meeting, Gaylord C. Cummin was retained to complete the organization and to conduct a preliminary study that would point out immediate problems confronting Fall River. His work resulted in revision and improvement of the city's budget for the present year as well as a general study of present administrative policies and methods.

⁂

Finance Committee, Town of Harrison, New York.—Upon the recommendation of the Finance Committee, the town board of Harrison has entered a contract with the Manufacturer's Appraisal Company of Philadelphia to make an appraisal of all land and buildings and to prepare a new set of assessment maps. The present confusing and complicated system of number lots and blocks will be replaced by a much simpler plan. The study is now in progress and will be completed within three months.

◆

Kansas City, Kansas, Bureau of Research.—The Bureau has made a study of the teachers' retirement system which has been proposed in accordance with the state enabling act applying to cities of the first class. In communications to the board of education the Bureau has called attention to a legal point which it believes would cause embarrassment and has also stressed the need of employing a consulting actuary to assist the board in developing the system.

A report on the city's budget procedure is almost completed. The Bureau is also making a field and office study of all city departments. This project will require several months' work.

◆

Kansas City Public Service Institute.—The Kansas City Public Service Institute has the following principal activities under way at present:

County Welfare.—A study of the welfare activities of the county government has been under way for several months. This study includes all of the county welfare institutions, as well as the activities of the juvenile court, probation department, and other miscellaneous activities. The report will be completed shortly.

Water Department.—In an effort to determine the present and future needs of the water department, an analysis has been made of the expenditures of the department for a number of years past; the unit cost; the water rates; the adequacy of the present plant; necessary additions, etc. A new water schedule has been tentatively suggested by the department to provide funds for expansion. In conjunction, some bond issues are suggested.

It has been found that a wide variation exists in the profit or loss at which water is provided to consumers under various rate classes. Very small and very large consumers are now being served at less than cost, while consumers between these classes are served at varying profits. The proposed schedule would, to a considerable extent, eliminate the inequalities.

Special Assessments.—For several months the Institute has been collecting from various cities information concerning special assessment methods and costs. This is being done to determine how Kansas City's procedure compares with that in other cities, and also to discover if certain recognized unsatisfactory methods now in use in Kansas City can be improved. The information being gathered is, within limits, reasonably complete and throws some light on this little-studied subject.

Assessments.—Following some preliminary investigations, which indicated the very lax assessment procedure in Kansas City with resulting great inequalities in assessments, the Institute is preparing to make a more complete study. This is being done in coöperation with the Chamber of Commerce which has expressed an interest in securing a scientific assessment system.

◆

Municipal Reference Bureau, University of Minnesota, and League of Minnesota Municipalities.—The following publications are now in process: (1) the regulation of billboards in Minnesota; (2) a suggested accounting system for villages; and (3) a complete set of forms for the making of street improvements. These bulletins will probably be issued during the next sixty days. Surveys are now being made of the salaries being paid to village officers, the organization of the city and village park departments, and the organization of the city and village water and light departments.

The demand for ordinance revision work by the staff has increased. Ordinance surveys are in progress for one city and three villages at the present time.

An essay contest on the subject of "My Home Town" has been authorized for competition among the students in the high schools and high school departments of the state. It is believed that this contest will result in increased interest in local government among the high school students and will provide a considerable amount of local material for the files of the League.

The organization of the committee work, which is carried on by twenty-seven committees, has just been completed. A particular effort will be made this year to prepare a report upon the revision and codification of the village law. The success of a similar project in the state of New York in the last session of the New York legislature has stimulated interest in Minnesota. A study of the existing village law made by a member of the League staff last year will be used as a basis for the revision.

✣

National Institute of Public Administration.—The Institute has undertaken a preliminary study of fire protection in Greenwich, Conn. The field work will be done by C. Adair Harrell.

On October 13 the staff of the Institute gave a farewell dinner at the City Club to Dr. Charles A. Beard, who is sailing on October 19 to give special assistance to the Yugoslav government. Other guests were Bishop Nicholai of Ochrida, Serbia; Dr. George V. Todorovitch, Consul-General of Yugoslavia; Professor Michael I. Pupin; and Mr. George Radin, secretary of the America-Yugoslav Society.

Dr. Beard goes to Serbia under the joint auspices of the National Institute of Public Administration and the America-Yugoslav Society.

✣

Rochester Bureau of Municipal Research.—*Uniform Hospital Accounting System.*—The Bureau has recently been requested to install the uniform hospital accounting system, which it has developed, in another hospital in the city. The system has been in operation in one hospital for nearly a year and has resulted in large, definite savings. As more hospitals adopt uniform accounting methods opportunities for economies will correspondingly increase.

Industrial Survey.—One member of the Bureau staff has been loaned to the new industries bureau of the Chamber of Commerce practically full time to work on an industrial survey of the city. This survey which is to be broad in scope will serve as a working basis for a fundamental program of civic and industrial planning.

✣

School of Citizenship and Public Affairs, Syracuse University.—The school has recently issued a 92-page report on *Motor Vehicles and the Highway in New York* by Professors F. G. Crawford and H. W. Peck. The report is based on a study of the social and economic effects of improved highways and the methods of financing them, in five counties of New York state.

Earle Gill, a recent graduate of the school, has started the law firm of Gill and Fitch, of which he is senior member, with headquarters at 412 West Main St., Madison, Wis. The firm will specialize in the codification of municipal ordinances and will be available to any city as consultants in this field.

✣

Toronto Bureau of Municipal Research.—Progress is being made on the survey of the parks and playgrounds system in Toronto.

About 150 delegates from the various city, town, village, county and township member municipalities throughout the Province of Ontario attended the convention of the Ontario Municipal Association. The main topic of discussion was the proposed new assessment act for Ontario. Many amendments were suggested. The director of the Bureau is secretary-treasurer of the Association.

The first report dealing with the subject of civic financial control has been issued. The second in the series, which gives the facts in connection with the public service enterprises not administered by appointive boards or commissions, has been finally prepared, and will be issued shortly.

A study of street encroachments has been begun. A questionnaire asking for certain information on this point has been drafted and is being sent to all the more important cities.

Detailed information has been requested from the Dominion Vital Statistics Bureau, as well as from the various Canadian provinces, as to motor fatalities, divided into age grades. A map has been completed showing where possible the exact location of all motor accidents in the city of Toronto over a twelve-month period.

NOTES AND EVENTS

Toledo Elects Charter Commission.—Twenty-nine candidates will fight it out for membership on the charter commission of fifteen to be elected by the voters of Toledo at the November election. Every one of the twenty-nine has signified that he or she favors the city manager plan of government. Toledo now conducts its governmental functions under the strong mayor-council plan.

But of the twenty-nine, fifteen are openly supported by the strong and dominant Republican "machine." The remaining fourteen, together with three of the first fifteen, have been endorsed by the independents.

Readers of the REVIEW will remember that Walter F. Brown, local Republican boss, last January packed the first meeting of the Independent City Manager Association with city and county employees, and thus thwarted the plan of the promoters of the Association to place a city manager charter before the people through the initiative provisions of the state statutes. Instead the "packed" Association induced the city council to submit to the voters at the regular November election the questions of framing a new city charter and electing a charter commission.

Within a month of the last day for filing nominating petitions no candidate had taken out a petition. About the same time the second meeting of the "packed" Independent City Manager Association was called. Only a mere handful of city and county employees and a few of the original promoters were present. The Association went through the formality of picking a nominating committee of twenty-one to select candidates for the charter commission. An attempt was made to place representatives of various sections of the city upon the nominating committee, but for the most part it contained machine-picked men and women.

Up to within two weeks of the last day for filing nominating petitions it appeared that the "machine" candidates were to have a clear field. Then a Citizen's City Manager Association was formed, the membership consisting largely of the original promoters of the Independent City Manager Association. The new organization selected fourteen candidates and endorsed three of those on the opposing slate.

Twelve hundred signatures were necessary to nominate. The machine placed its entire slate on one nominating petition, having been assured by the bi-partisan board of elections that it would approve the petition, although the election laws are not clear upon the subject. The citizen's group circulated individual petitions for each candidate and were successful in procuring the necessary number within the short space of three days.

With twenty-nine candidates in the field, with a definite political grouping of the candidates, and with every indication that the machine will be whipped in the mayoralty contest, the prospects of electing a commission which will provide for the best form of city manager government and possibly P. R. for the election of councilmen are extremely bright.

⁂

The Results of the Republican primary in Rochester, N. Y. (held September 20), indicate that the Citizens' Republican Committee, which sponsored the new manager charter, will control the first city council. Nomination on the Republican ticket is tantamount to election and the complete rout of the old organization is very gratifying to those who have worked for years to introduce the manager form in Rochester. The Citizen's Committee capture all five councilmen-at-large as well as a majority of the district councilmen. Isaac Adler, a trustee of the Rochester Bureau of Municipal Research and attorney for the charter interests, was successful in his race for councilman-at-large, receiving the second largest vote among all candidates.

⁂

Transit Workers Insured.—Employees of the Chicago Rapid Transit Company are insured to the extent of $10,595,000, with a maximum protection of $20,445,000, under a group plan put into effect in December, 1926. Each of the 5,683 employees is furnished with double accidental-death insurance in the sum of $1,000, while health and accident insurance providing compensation as high as $20 a week for 26 weeks has been provided for any one disability in any one year.—*Municipal Reference Library Notes.*

⁂

As an Aid to City Beautification, five Long Island (N. Y.) villages have persuaded the Long

Island Railroad to remove all advertising signs from its stations within their borders. They have also secured an agreement from the real estate agents to substitute for the multiplicity of "for sale" and "to let" signs now disfiguring many properties, one sign bearing the names of all the brokers interested.

⁂

Dr. Delos F. Wilcox has been the center of a raging storm in San Francisco over the question of his retention to make a survey of the Market Street railway franchises. Dr. Wilcox was retained by the unanimous vote of the board of supervisors, but the action was vetoed by Mayor Rolph. At this writing it seems certain that the board will override the veto and engage Dr. Wilcox.

⁂

John C. Lodge, former president of the Detroit council and a member of the N. M. L's 1921 Committee on Election Reform, was nominated in the non-partisan primary for mayor of that city by more than 30,000 votes over his nearest rival, the present mayor, John W. Smith. Mr. Lodge's clear majority over all other contestants amounted to 8,000. Mr. Lodge did not make a single speech or issue a statement during the campaign. He will now contest the election in November with Mayor Smith.

⁂

Knoxville Likes the City Manager Plan.—City manager government as instituted in Knoxville, Tenn., under the leadership of Louis Brownlow, won another victory when the voters elected as councilmen to a majority of the council seats men who were for the city manager administration. It was the voters' answer to political criticism of city manager government and the claim that the people of Knoxville were waiting for the first opportunity to overthrow it.

⁂

City Managers To Meet in South.—Asheville, N. C., was chosen as the meeting place for the 1928 convention of the International City Managers' Association at the annual convention which met in Dubuque in September.

Officers elected for the year 1928 were as follows: President, John N. Edy, Berkeley, Calif., first vice president, F. R. Beechner, Gladstone, Michigan; second vice president, O. A. Cratz, Astoria, Ore.; third vice president W. P. Hunter, Roanoke, Va.

⁂

The Western States Taxpayers' Conference met at Santa Fe, New Mexico, on September 1, 2 and 3. Representatives from Arizona, California, Colorado, Idaho, Nevada, New Mexico, Montana, Oregon, Texas, Utah, Washington and Wyoming attended.

The Conference went on record in urging proper investigation of the problems arising out of the existence of large areas of public domain in the western states; higher qualifications for assessors and other taxing officials, longer tenure of office, better salaries and the abolition of the fee system were favored.

A committee was created to study timber taxation and another to investigate the question of property qualifications for voters on bond issues.

⁂

Permanent Registration is made optional for Ohio cities with a population of more than 25,000 by a new election code passed by the legislature at the last session. The act is chiefly a recodification of the election laws. It abolishes the fee system for election board members and provides an easier recount of ballots.

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THE LEAGUE'S BUSINESS

Richard S. Childs Our New President.—At the annual business meeting, presided over by the retiring president, the Honorable Frank L. Polk, Richard S. Childs was unanimously elected president for 1928. His election was greeted by applause from those present who afterwards expressed their pleasure that one had been chosen who has a sincere affection for the League and is so competent to guide its destinies.

A resolution extending our thanks to Mr. Polk for his work as president during the past three years was introduced by Russell Ramsey of Delaware. Mr. Polk will not sever his connection with us, but will continue as a vice-president, and we shall still have his help and advice. Others elected to the office of vice-president are:

Carter Glass, Lynchburg, Va.
Glenn Frank, Madison
W. B. Munro, Cambridge
Charles E. Hughes, New York
Meyer Lissner, Los Angeles
W. D. Lighthall, Montreal
A. Lawrence Lowell, Cambridge
C. E. Merriam, Chicago
Miss Belle Sherwin, Washington, D. C.
A. Leo Weil, Pittsburgh

The following were elected to membership in the Council in the class of 1930:

Charles A. Beard, New York
Louis Brownlow, Washington, D. C.
Thomas H. Reed, Ann Arbor
Mrs. F. Louis Slade, New York
Laurence Tanzer, New York
Richard Crane, Westover, Va.
Will C. Hogg, Houston
Morris Knowles, Pittsburgh
George R. Nutter, Boston
Chester H. Rowell, Berkeley

Of the above Mr. Crane, Mr. Hogg, Mr. Knowles, Mr. Nutter and Mr. Rowell are new selections. The others were reëlected upon the expiration of their terms this year.

◆

The Thirty-Third Annual Meeting Was Different.—The program took the form of round tables, three meeting simultaneously each morning and afternoon with attendance ranging from twenty-five to one hundred and twenty-five and a mean average for all sessions of about fifty. The program was designed particularly for those with more than usual interest in and understanding of governmental topics. Such people are the bone and sinew of the National Municipal League, and it was evident from the fire and tone of the discussions that they enjoyed this different type of convention.

The Governmental Research Conference and the Association of Civic Secretaries began their meeting on November 9, one day earlier than the League, but joined with us for the two following days, November 10 and 11. The success of the convention was due in no small measure to the excellent coöperation received from the members of these associations.

Each round table was opened by one prepared paper which was followed by discussion begun by one brief prepared address. Thereafter the author was thrown to the lions in the open discussion which occupied the major part of each period.

The meetings were held at the Bar Association, and the delightful physical arrangements there aided not only the comfort but the spirits of the members and delegates.

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EDITORIAL COMMENT

The Associated Press reports that of the numerous mayors elected in English and Welsh towns fourteen are women, including Miss Margaret Beavan, welfare worker, lord mayor of Liverpool. It is an anomaly in British civil life that women mayors are not mayoresses. This title is reserved for the wife or other woman whom the mayor appoints to assist at social functions. Thus Mrs. Welsh, the new mayor of Southampton, appointed her daughter mayoress to share the social burden of the office.

*

Mr. Louis B. Wehle, 50 Broadway, New York City, has begun the preparation of a biography of the late Charles McCarthy of Wisconsin and finds himself greatly in need of material bearing on Mr. McCarthy's work in municipal government. He will appreciate it deeply if readers of the Review who were in contact with Mr. McCarthy or with the Wisconsin Legislative Reference Library while under his directorship will communicate with him.

*

For the second time the voters of Westchester county, New York, have rejected the home rule county charter. The charter was modelled on the board of estimate plan prevailing in the second-class cities of New York state. Its purpose was to reduce the power of the board of supervisors and to centralize administrative functions. An analysis of the charter with the forces which defeated it will appear in the next issue.

*

We are told from statistics published in the *Christian Science Monitor* that Pittsburgh is now less smoky than London. Her average is 2.87 tons per square mile daily compared with London's 3.37 tons per square mile. For Pittsburgh this represents a decrease of more than seventy per cent since smoke emission was first regulated by law. Those interested in how the smoky city accomplished this gratifying change should see Mr. H. B. Meller's article in the Review for May, 1926.

*

In spite of the attacks of critics there is life in the direct primary yet, and Maine is the latest state to join the file of those which have withstood assaults upon it. By a sweeping vote of almost 2 to 1 at a special election in October, Maine chose to retain the direct primary. The direct primary law of Maine was enacted in 1911 through exercise of the initiative and referendum after the legislature had refused to take action. In the past five years proposals to return to the convention system have been defeated in at least seven states; namely, Arizona, Maine, Nebraska, North Dakota, Ohio, South Dakota and Washington.

*

Westerville, Ohio, the birthplace of the Anti-Saloon League, boasts that it is a city run practically without taxes. According to a newspaper report its small tax levy is devoted exclusively to the payment of debts incurred before the adoption of the present city manager form of government. The city's funds for current expenses come from the earnings of its utilities which are steadily piling up a surplus in the city treasury.

*

The voting machines were clearly successful in the election last month in New York City. Manhattan and Brooklyn are now completely equipped with them and most voters found the mechanism easy to master. Even Election Commissioner Voorhis, the ancient enemy of all machines, managed to cast his vote successfully.

Due to the large number of propositions, ten in all, upon which the voters were asked to express an opinion, there were some delays during the rush hours and in many polling places long queues of voters formed. It is unusual, however, to have so many propositions on the ballot and voting for candidates takes less time. There is little doubt that voting machines have come to stay. The opposition to them was from the Democratic party and was largely due to resentment against the method by which they were imposed upon the city by a Republican legislature and to the faintly veiled charge that the Democratic organization was profiting by fraudulent means. If voting machines mean an honest count, the last election proves that the Democrats have nothing to fear from them.

New York Executive Budget Amendment Adopted At the recent election, the voters of New York state adopted the proposed executive budget amendment to the constitution by a majority of more than 850,000. This amendment in its final form was drafted by the Hughes Commission on State Reorganization and sponsored by Governor Al Smith. Owing to the dilatory tactics of the legislature, there was some doubt after the 1927 legislature adjourned as to whether or not it had been properly passed by both houses. However, after some discussion, the legislative procedure was declared to be regular and the amendment was placed on the ballot.

As adopted, the executive budget amendment provides that the governor, beginning in 1928, will prepare and present to the legislature a complete budget plan for the state government. The expenditure estimates upon which this budget is based are to be sent to the governor by the various department heads on or before October 15. After hearings on these departmental estimates, the governor may revise them as he sees fit before including them in the budget. He is not permitted, however, to revise the estimates of the legislature or of the judiciary, but he may make recommendations with reference to these in the budget. He is required to submit the budget to the legislature not later than January 15, except when newly elected to office, in which case he has until February 1. He must accompany the budget with an appropriation bill or bills containing all the proposed appropriations, and also tax measures covering his recommendations, if any, for increased revenues. At any time before the legislature takes final action on the budget and within 30 days after its submission, the governor may amend it by sending in supplementary bills.

The legislative part of the budgetary procedure allows the legislature to strike out or reduce items in the governor's appropriation bill, but not to increase them except by stating the additions as separate amounts. These added amounts are subject to veto by the governor, otherwise the bill becomes law immediately upon passage by the legislature. The executive veto, however, applies to the appropriations of the legislature and of the judiciary. After the legislature has passed the governor's bills, it may enact further appropriations in separate bills without regard to the anticipated revenues available to meet them. These latter bills are also subject to executive veto. The legislature in considering the budget has the right to bring the governor and the department heads on the floor of either house and quiz them with respect to any of the budgetary information or proposals.

In its original form, as proposed by the Reconstruction Commission in 1919, the New York budget amendment was designed to place restrictions on legislative action similar to those of the Maryland budget amendment adopted in 1916; that is, the legislature was to be permitted to strike out or reduce the governor's expenditure proposals but not to increase them, and any additional appropriations made by the legislature were to have provided in the same bills the revenue to finance them. Largely on account of these provisions, the amendment was vigorously opposed by the legislature until 1926 when the Hughes Commission redrafted it to include the provisions above described.

A. E. B.

*

A Doubtful Slum Clearance Proposal Approved by Voters The voters of New York City approved at the November election the home rule proposition permitting the city to lease for ninety-nine years land seized under the power of excess condemnation. Heretofore the additional land after appraisal could be sold or leased for a period of but ten years with the privilege of a ten-year renewal. Builders were, of course, unwilling to put up houses on land leased for such a short term, and the new local law removes this restriction.

The measure is generally discussed as a means of housing relief. As a matter of fact it is a project for slum clearance and would be so called in England. Its purpose is to enable the city to condemn slums in connection with street-widening projects and to replace such slums with sanitary tenements. The land seized is to be leased under agreements that the tenements to be erected will be rented at no more than $8 a room.

Mr. Purdy, writing in the last issue of the Review, condemns the venture as unwise. It will constitute a direct subsidy upon housing in favored strips in the vicinity of public improvements and extends the idea of excess condemnation beyond its reasonable scope. If the city takes care that real estate speculation is prevented, that it is not gouged in condemnation proceedings and that there is proper regulation of construction and rentals, a small measure of relief to slum conditions may be expected.

How tenants who will receive this subsidy from the public purse will be selected has not been determined, but the opportunity for political patronage is evident. To furnish a man an apartment at $4 a room below cost is on a par with presenting him with a nice political office. The London county council has had to exercise extreme care in selecting tenants to be beneficiaries of under-cost housing, which is a form of charitable relief, the extension of which must be carefully managed. Furthermore, London has made ample arrangements for taking care of the displaced population (for presumably the new tenements will not house as large a number as the congested slums of the past), but so far no program has been developed in New York City to treat of this aspect of the case.

The present writer is aware of the fact that both the City Club and the Citizens' Union favor the proposition. To him, however, the plan as a housing measure seems politically and economically unsound. As a slum clearance project it is inadequately conceived and will only scratch the surface of our difficulties.

*

Term Extensions for Governors Prove Unpopular

Last month we reported the defeat of the New Jersey proposal to extend the term of the governor from three to four years. Now we have to report the defeat of constitutional amendments in New York and New Mexico to lengthen the governor's term from two to four years. In all three cases the election was to fall in the presidential year and in each case the change was sponsored by the Republicans.

In New York Governor Smith waged a vigorous campaign against the amendment. As Mr. McGoldrick points out in this issue, outstanding Republicans declined to endorse the measure publicly. It failed in every county in the state, being defeated in the upstate Republican districts as well as in Democratic New York City. Governor Smith asserts that both parties are pledged to the four-year term and it is now the duty of the legislature to submit an amendment lengthening the term but placing the election between presidential years. The Republican state chairman, however, rather curiously claims credit for the defeat of the amendment and announces the vote to constitute a negative mandate against any extension of the term whatsoever.

When the campaign was at its height in New Jersey and New York, the National Municipal League circulated a questionnaire among one hundred professors of political science to discover what was the consensus of scientific opinion upon the desirable length of the executive's term. Eighty-seven replied as follows:

Question	*Yes*	*No*
1. Is four year governor's term desirable?	85	2
2. Is governor's election in presidential year desirable?	15	72
3. Is four year term desirable even if linked with election in presidential year?	55	32
4.* Are biennial sessions in place of annual sessions desirable?	65	20

* Two neglected to answer Question 4.

On the first question there was almost unanimous agreement that as a separate proposition, the four-year term for governor is desirable. The reasons given are: "time to comprehend problems of his state"; "a chance to develop his policies"; "command a higher type of man"; "stability in administration"; "less interruption in state business."

On question two there is also substantial agreement that the four-year term for governor should not have the election in the presidential year.

The answers to question three show that the professors are relatively more keen for the four-year term than for separate elections. Among the reasons for the relative preference are: "four-year term more important than separate dates"; "some cake is better than none"; "voters can discriminate if they so desire."

TRANSIT PROGRAMS PROPOSED FOR NEW YORK CITY

BY JOHN BAUER

Director, American Public Utilities Bureau

Two transit plans are now definitely before the people of New York. The Untermyer program calls for recapture by the city of that portion of the subway systems authorized by law and operation in conjunction with the new city built lines. The Smith plan favors complete unification of all transit facilities through agreement among all interests. The five-cent fare is still involved in the public mind. :: :: ::

As this is being written, transit discussion is hot and furious in New York City. In September, after several months of investigation, hearings and study, Samuel Untermyer presented his report to the Transit Commission which is required by law to formulate a plan of readjustment for city transit. On October 6, a second official report was published. This was prepared by Major C. E. Smith, an engineer engaged by Charles W. Berry, comptroller of the City of New York, to make an independent study of the entire transit situation.

UNTERMYER URGES RECAPTURE

The two reports, presented within three weeks of each other, thus spread before New York officials and the interested public the differences in policies and points of view which have caused the long confusion and deadlock. The Untermyer report comes out flatly for a "recapture" program under which all the existing subway lines owned by the city and leased to the companies under the dual contracts would be taken back by the city under terms fixed by the contracts. Under these provisions about 80 per cent of the city-owned subways would be recaptured, while only about 20 per cent would be left to the Interborough Rapid Transit Company under contracts which make no provision for recapture. The city is now constructing new subways and is committed to a program which will involve the expenditure of about $600,000,000 for new lines during the next ten-year period. These new lines would be operated in conjunction with the recaptured lines as a single unified system. All future rapid transit lines would be planned, constructed and operated as a part of this system, as would also any surface, elevated or bus lines hereafter acquired by the city.

For operation Mr. Untermyer suggests a special corporation which, however, would be wholly of a public character. It would be managed by a board of control consisting of nine members, two of which would consist of public officials, one appointed by the mayor, four recommended by certain civic organizations within the city, and the ninth elected by the other eight; he would be president of the company, under contract with the board, and would be an outstanding traction official with at least ten years' experience. The board would have full control of the management and the determination of policies.

Both the recapture of the existing lines and the construction of new lines would be financed by the city of New York and would have the advantage of the low interest charges at which the city bonds could be sold. The properties would be leased to the corporation subject to the board of control. It is estimated that the recaptured properties would be self-sustaining at the five-cent fare after one or two years. But after the new lines come into operation there would be substantial deficits for a number of years. Operation, however, would be continued at a five-cent fare, and the losses sustained would be paid out of taxes during the period of operating deficits, which, it is anticipated, will end in 1941 when the entire system will become self-sustaining, even at the high level of fixed charges on the new lines.

The estimate just presented is based upon the policy of financing the entire cost of new construction out of city bonds. Mr. Untermyer, however, favors a policy of special assessment upon benefited property, also special general taxes, after the manner proposed by the board of transportation in its program published in the summer of 1925. He recognizes the fact that a comprehensive system of transportation benefits not only the riders, but also the owners of real estate and business interests at large. He sees no reason why the costs should not be shared by all groups benefited by a modern system of transportation.

EXCLUDES SURFACE LINES

Apart from the recapture program, Mr. Untermyer suggests also that it would be desirable to include all the city-owned subways as well as the so-called Manhattan Elevated lines in a single system. To this end he suggests a purchase price for the entire property if the Interborough Rapid Transit Company agrees to convey full title to the city under the proposed terms. He appears doubtful, however, whether the company will be willing or able to accept and carry out the offer.

The plan provides exclusively for a system of rapid transit. It does not include the Brooklyn elevated lines except that it recommends the purchase or condemnation of certain lines on which service would be materially affected by the recapture program. It includes no surface lines whatever. It is, however, flexible enough to incorporate subsequently any and all properties which may be acquired hereafter by the city at reasonable terms from the companies.

The plan is based upon the conviction that no agreement or settlement can be reached with the companies through negotiation without the city's consenting to valuations and conditions which would be unwarranted on grounds of reasonable policy. It assumes that the elevated lines are to a large extent obsolete for future transportation requirements, and that most of them should be removed after the new subways come into operation. It considers also that the surface lines have an extremely uncertain status as future transportation agencies. It would leave all these properties to the present operating companies subject to future negotiation for their inclusion in the city system. It would include all properties which can be acquired at terms definitely provided for by contract. It would thus avoid negotiation over valuations which would probably lead only to deadlock, and would actually establish a unified system of subway lines including the bulk of the modern facilities. It would defer all further acquisition to later times when the status of the several elevated and surface properties can be more accurately determined according to developments during the next few years.

SMITH REPORT CONTRADICTS UNTERMYER—COMPLETE UNIFICATION

Mr. Smith's report disagrees fundamentally with Mr. Untermyer's both as to facts and policies. He does not find that the existing rapid transit contracts between the city and the companies contain any vital objection from the public standpoint, that the Manhattan Elevated lease is extravagant and unjustified, or that the surface lines are burdened with over-capitalization and excessive fixed charges. He does not agree that the elevated lines are to a considerable extent obsolete and that some of them at least should be removed as soon as the new subways come into operation. Nor does he believe that the surface lines occupy a precarious position and on economic grounds may have to give way to buses during the next few years.

For the most part Mr. Smith assumes that all the transit facilities, subways, elevated, and surface lines, are necessary for an up-to-date system, except so far as maintenance and modernized equipment are concerned. Likewise he considers existing capitalization, leases and contracts as substantially unobjectionable from the public standpoint, and does not assume any material adjustments necessary in the interest of a desirable future system of transportation. He recommends a unified system which includes all subways, elevated and surface lines; also buses wherever they may prove desirable as feeders and distributors coördinated with the surface street railways. He proposes an agreement between the companies and the city.

While he would prefer an immediate and complete consolidation, he believes that the more practicable course would be to distribute the properties between the two rapid transit companies now operating with the expectation that there would be an ultimate amalgamation of the two groups.

As to the agreement between the city and the companies, Mr. Smith is far from definite and offers no specific valuations for the several properties to be included. He would not expect, however, any serious difficulty in the negotiation and in reaching an agreement upon valuations. He believes that the entire system could be operated immediately at a seven-cent fare. He is opposed, however, to a fixed fare, and would provide for a flexible fare based upon the cost of service, including operating expenses, taxes and the return required upon the valuations upon which the plan rests.

FIVE-CENT FARE SECONDARY

The issues drawn by the two reports are clear-cut. We shall not attempt any analysis as to relative merits at this time. It appears that for the most part the public officials are inclined toward Mr. Untermyer's proposals, while the traction and financial interests, also most of the powerful newspapers in New York, have fallen in line with the Smith ideas. The fundamental issue, however, is not the five-cent fare versus a flexible fare as has been stated often in public discussion, but rather (a) the extent that the surface and elevated lines are useful and necessary for future transportation purposes, and (b) whether reasonable valuations from the city's standpoint can be reached through negotiation.

The Untermyer plan would proceed upon a course whose steps are defined by contract, would include all properties that can be thus acquired, and would leave all other properties for future negotiation and developments. It would get started immediately, without waiting indefinitely upon interests which will have great difficulty to come to agreement. Its purpose would be to eliminate, first, all obsolescence, over-capitalization and excessive fixed charges, and then negotiate for any of the elevated and surface lines under conditions then prevailing.

The Smith plan would wait for agreement among all interests for a unified system. It assumes that such an agreement can be reached and that valuations reasonable to the public can be established through negotiation. But this assumption further assumes that there is little obsolescence and that practically all existing financial and contractual arrangements are on the whole unobjectionable from the public standpoint. It is this question of fact which more than anything else divides the two points of view. The five-cent fare is quite secondary, except that under the Untermyer plan it would apparently be sufficient over a long period, while the Smith plan would require a higher fare,—how high would depend upon the valuations to be reached through future agreement. The Smith plan thus has a wide-open end and cannot be adequately judged until this is closed by exact figures. Its justification will depend upon the delay involved and upon the valuations finally adopted. Its opponents point to indefinite delay and ultimately either to deadlock or unwarranted valuations.

THE NEGRO IN DETROIT

BY C. E. GEHLKE
Western Reserve University

Review of the report prepared for the Mayor's Inter-racial Committee by a special survey staff under the general direction of the Detroit Bureau of Governmental Research. :: :: :: :: :: ::

Since 1916 the industrial cities of the North have been facing a practically new inter-racial situation. The sudden influx of hundreds of thousands of negroes, mostly from the rural South, has produced conditions which are not merely quantitatively but also qualitatively different from those of, say, 1910. These rural immigrants, inadequately adjusted to the simple environment of the South, are now living in the considerably more complex habitat of a modern industrial city, surrounded by white persons who do not know and understand them as a group or as individuals. Small wonder that many of the newcomers have been unable to pass through the opening phases of their new life without coming into more or less violent conflict with the standards of the white majority.

STUDY OUTGROWTH OF RACE RIOTS

It is as an effort to get understanding of the negroes as a part of the community that this study here reviewed should be considered. It parallels the similar earlier study "The Negro in Chicago" in many important respects. Each is a fact-finding investigation. Each was carried out, in Chicago by, and in Detroit for, a specially appointed group of persons, representatives of both races. In Chicago the great race riot of July–August, 1919, led to the naming of the Commission on Race Relations by Governor Lowden. In Detroit Mayor Smith, after the riot (September 9, 1925) against the family of Dr. Ossian H. Sweet, a Negro physician who had moved into a white neighborhood, appointed the "Mayor's Inter-racial Committee."

The purpose of this committee was to "bring about more harmonious relations between colored and white people in the city. In order to have a basis for specific recommendations it was decided to make a survey of racial conditions in Detroit." The chairman of the committee was the Rev. Mr. Reinhold Niebuhr, the vice-chairman Bishop William T. Vernon. The survey was carried out by Forrester B. Washington, executive secretary of the Armstrong Association of Philadelphia, and Robert T. Lansdale, of the sociology department of the University of Michigan, assisted by a staff consisting of teachers, graduate students and social workers. Like the committee, the staff included both white and colored persons. Additional aid was rendered by a number of departments of the city government as well as by the board of education. Private agencies also, including the Detroit Community Fund which furnished the money for the survey; the Detroit Bureau of Governmental Research which expended the funds, and edited the survey; the Detroit branch of the Urban League, and many others coöperated with the staff in furnishing material. Interested individuals also contributed and rendered services.

The material used, in addition to that secured by direct investigation by the staff, was taken from census reports, federal and local, annual reports of public departments and private agencies; newspapers, both general and of the colored group; and library material. The scope of the study is indicated by the topics discussed in the several sections; population, industry, thrift and business, housing, health, recreation, education, crime, the church, community organization, and welfare work.

The situation revealed by this study is difficult to describe without considerable detail. Certain outstanding facts can, however, be briefly summarized.

FACTS DISCLOSED

In the first place, the negro population of Detroit is composed largely of newcomers. A sample group of about a thousand families showed 53 per cent as having arrived within five years, and 83 per cent within ten years. More than half of them came from three states, Georgia, Alabama, and Tennessee. The negro population had increased in the period 1910–1920 six times as rapidly as the white population of Detroit (going from 5,741 to 41,532 in this period), and the next five years saw this latter figure almost doubled. They were the fourth largest group in the city in 1925, surpassed in number only by the native whites, the Poles and the Canadians. And they constituted 6.59 per cent of the total population—one in sixteen. They had in this latter year almost the same sex ratio of males to females (112.8 to 100) as the total population, but included a far smaller proportion of persons under 15 years of age and over 45 than the total population, and a correspondingly larger proportion 15–45.

Like other immigrant groups, they live in special areas of concentration; the bulk of them living in one strip parallel to the central north and south artery. This is not the only respect in which they present a typical immigrant complex. Their housing problem, which lay at the bottom of the mob incident that gave rise to the study, is only an exaggeration of the usual problem of the European immigrant in

American cities. When their increasing congestion, due to rising numbers, made the areas already occupied too small for them, they struggled to secure a foothold elsewhere. The peculiarly vigorous fear of the natives that their coming would lower real estate values, and destroy standards of neighborhood life, caused these efforts to meet with greater and more violent resistance leading actually to mob action. As the Mayor's Committee in its report and recommendations (based on this survey) points out, we have here a violent conflict between principles laid down in the law of the land and forces that are not always in accord with these principles: one of those conflicts of constitution with folk-way, or of law with opinion and attitude, which are the commonplace of a realistic understanding of American political life. Negro housing, with its aspects of difficult financing, hostility of real estate interests, the debasing quality of the districts allotted to negroes, is typical of the whole situation of the group in Detroit.

A few illustrations will make this clearer.

DISCRIMINATION RESPONSIBLE FOR MUCH

The negroes unquestionably commit more crimes, in proportion to their numbers, than the whites. This may be related to the well demonstrated over-severity of police and courts toward the colored person accused—and sometimes only suspected—of crime. The occasional unjustified killing of negroes by the police, followed by leniency toward the slayers, is an obvious and glaring miscarriage of justice. Legal rights and protection clash with race prejudice, to the destruction of the rights. The interesting suggestion is made by the committee that increasing the number of negroes on the police force, and assigning them to duty in the negro districts, would reduce discrimination and encourage the race morale.

In health work the negro group suffers because of lack of facilities available for them as patients or as practitioners. In education the discrimination against them seems slight, but the opportunities for colored teachers and supervisors are few. In the recreation field vigorous efforts have been made on their behalf, but the color line tends to complicate and make difficult adequate provision for them.

In industry and business the negro in Detroit is very slowly making headway. Employers in general accept them as useful workers. They are not welcome in many unions, but make good members when taken in. Colored women have a specially difficult position both industrially and in domestic service. Businesses are small and struggling as well as few in number.

Naturally the group presents a disproportionately large number of welfare problems. Occupying as it does a position low in the scale of economic well-being, it produces a large amount of dependency, for which existing agencies are by no means fully prepared. Part of the difficulty here is in the lack of understanding by the welfare workers of the attitudes and potentialities of this new type of client, whose acquaintance with the new environment and adjustment to it are so meager and inadequate.

THE CHURCH AN ACHIEVEMENT

The one strictly negro achievement in Detroit, as everywhere in the United States, is the church. But the poverty of the colored people, their sectarianism (inherited from the whites) makes the effectiveness of the church much less than it might be.

The report indicates many potentialities of the negro, and at the same time little achievement. This is inevitable. New to the environment, ignorant, desperately poor, economically untrained, black in a white world, the colored people of Detroit are still in need of varied and sustained assistance, and above all, of patient sympathy on the part of the whites. As a means of furthering this end a permanent inter-racial commission is recommended by the committee in its report. The success of this type of organization in so many southern communities in recent years gives rise to the hope that it may become a reality. The North has long looked with critical eye at the blunders of the white South in its dealing with the negro. It has shown little capacity so far to do better when faced with a similar problem. Knowledge of the problem and a sense of fairness and a willingness to coöperate can alone prevent a situation in our northern industrial centers which may easily be more dangerous than the standard situations of the South.

This survey leaves the reviewer only a few minor points of criticism to record. In the first place, it has not been printed for general circulation, but only mimeographed, as its primary function was that of a fact-finding report to the Mayor's Committee. Most of the criticisms lodge against defects which editing for a wider public would naturally remove. For example, to one not familiar with the street map of Detroit, most of the geographical description is valueless. But there can be little criticism of the painstaking manner of using materials, and securing data. It is a distinct contribution to our knowledge of the general problem, not so detailed as the Chicago volume, but in its limited range very satisfactory.

DO REPRESENTATIVES REPRESENT?

BY BEN A. ARNESON
Ohio Wesleyan University

A study of the extent to which the opinions of the members of the Ohio legislature conform to the views of their constituents. :: :: ::

A POPULAR referendum on a question upon which there has been a legislative roll call affords a means of measuring the extent to which, on that particular question, at least, the views of the legislators coincide with those of their respective constituencies. If the constituencies of those voting for the measure support the measure while the districts represented by those who voted against it show a negative majority, we may conclude that the legislators have been representative in this instance. If, on the other hand, the voters fail to support their representative by showing a majority favorable to a measure which he has opposed, or vice versa, and if this happens generally throughout the state, we may conclude that, in such an instance, the legislators have been misrepresentative rather than representative.

LEGISLATIVE ROLL CALLS RELATED TO POPULAR VOTES

A study has been made for the state of Ohio covering all the referenda which, since 1912, have been preceded by legislative roll calls. The year 1912 is taken as the beginning of the study for the reason that it marks the time of the adoption of the initiative and referendum by amendment to the state constitution. During the period since that time forty-one measures have been placed before the Ohio voters. Of these forty-one measures, sixteen were initiated by petition and were not made the subject of a legislative roll call. In the case of each of the remaining twenty-five, however, a legislative roll call preceded the popular referendum. Because of the constitutional requirement in Ohio for a roll call on the final passage of all measures, there is available for each measure the exact list of those voting for or against it, and, even in cases where there were no negative votes in the legislature it is possible to get a list of those present and actually voting for the proposal.

After securing the legislative roll call on a measure the next step was to determine, through the study of the election returns, the reaction of the various legislative districts to the same proposal. Taking the proposal for the short ballot for state officers, voted on in the referendum of 1913, as an example, it was found that in the senate twenty-eight members voted for the measure and one against it. Of the twenty-eight senators who voted favorably only nine were supported by their respective constituencies in the referendum. The lone member who opposed the measure found that his constituency agreed with him in his opposition. In the house of representatives ninety-one members voted for the measure but only twenty were supported by their respective constituencies. Of the twenty-eight representatives who voted no on the measure, twenty-seven were supported in the referendum. As far as this one measure is concerned, it is readily seen that the representatives voting against the proposal were generally supported, while scarcely more than a fourth of those who voted for it were supported in the referendum.

NEGATIVE VOTES MOST REPRESENTATIVE

When the roll calls and the popular vote of each of the twenty-five measures had been determined the results were totalled. On the twenty-five measures an aggregate of 650 favorable votes had been cast in the senate of which 272, or 41.8 per cent, had been supported. Of the 115 negative votes in the same body, 104, or 90.4 per cent, had been supported. Turning to the lower house we find that an aggregate of 2,137 favorable votes had been recorded of which only 873, or 40.9 per cent, were supported by the respective constituencies in the referenda. In the same body 502 negative votes were recorded and of these 467, or 93.1 per cent, were supported in the subsequent referenda.

There is no reason why the two houses of the legislature should be studied separately. In fact a better perspective is obtainable if the votes of both are totalled. Because of the greater constituency served by the senators the senate vote needs to be properly weighted before totalling it with the house vote. As the average senate constituency in Ohio is approximately three times as large as that of a member of the lower house the senate vote in each case has been multiplied by three. Combining the senate and the house vote in this way we have 4,087 yea votes of which 1,689, or 41.3 per cent, were supported by popular vote, and 847 nay votes of which 779, or 92 per cent, were supported. In other words we find, on the basis of our measurements, that the representatives who voted nay are much more representative than those who voted yea.

In order to get the representativeness of the legislators regardless of whether they vote yea or nay, the yea and nay vote may be further combined. Totalling the yea and nay votes we find that 4,934 votes are involved of which 2,468, or 50 per cent, were supported in the various popular referenda. That is we find that on the basis of the votes on these twenty-five measures the legislator is likely to be representative about half the time. As, on the law of average, the legislator would, by the merest chance, be representative about half the time, the grand total signifies that there is but very little relation on the whole between legislative votes and public opinion. It is significant, however, that when we consider the yeas and nays separately we find a much greater correlation in the cases of the nay than of the yea votes.

Of some significance, also, is a study of the votes from the two distinctly urban counties, Cuyahoga and Hamilton. (Cuyahoga county includes the city of Cleveland, while Cincinnati is located in Hamilton.) For example, the urban counties support their representatives much more closely than do the other counties. Urban representatives were very well supported on the prohibition measures—the nay votes (wet) being sustained in every instance; but it is true too, that all counties supported the legislators on prohibition better than on other matters. The least support is shown for measures involving taxation and finance.

To draw any conclusions from such a study may be unwarranted. It may, however, be in order to point out certain aspects which are to a degree at least, illumined by these figures.

It is much more difficult to get the approval of the electorate on a proposal than it is to secure its acceptance by the legislature. Of the twenty-five proposals passing the legislature only six were approved by referendum vote. These twenty-five measures were not passed by the legislature by a *bare majority merely*. In most cases the favorable legislative vote was overwhelming. Furthermore, seventeen of the proposals were for constitutional amendments, and by the provisions of the state constitution such proposals must receive a three-fifths vote in order to pass. An acceptance of only six out of twenty-five proposals shows a marked unwillingness on the part of the voting public to support innovation. Furthermore, according to the figures already quoted, the legislators who voted against the proposals were supported 92 per cent of the time, while those who voted favorably received a support of only 41.3 per cent.

REJECTED MEASURES NOT BAD

If the proposals of the Ohio legislature had been bad we might argue that the people showed their wisdom in checking the evil proclivities of the legislature. Almost without exception, however, the proposals were of such a nature that they received the support of the careful and unprejudiced students of government. Yet the people in most cases refused to support them. The six measures that did carry were no more worthy of support than were practically all the others. The indications are, as far as this study can be made a basis, that to give greater direct popular control over the process of amending the federal constitution would be a movement toward conservativism. It may be a realization of this situation which has very recently prompted conservative leaders to suggest that the referendum should be used for the ratification of amendments to the federal constitution. Such a proposal would, a few years ago, have encountered the opposition of the conservatives. At any rate, in Ohio, which is a typical state, the electorate is not eager for innovation. During the period studied, sixteen proposals were initiated by petition and were voted upon by the people. Of these, twelve failed to carry. The people refused to oppose initiated proposals with the same regularity that they vote down legislative proposals.

The greater representativeness of the legislators from two counties which are distinctly urban has already been mentioned. When the yeas and nays are combined the Cuyahoga and Hamilton representatives were supported to the extent of 76.4 per cent as opposed to 43 in all the other counties. Does this mean that the urban representatives reflect more clearly the views of their respective constituencies than do those from other parts of the state, or is it, rather, that the bosses of the cities are so powerful both over the representatives and over the electorate that the two are likely to express similar views? With the unusually effective boss leadership which exists in Cincinnati and in Cleveland it is likely that the latter is the case rather than the former. Nevertheless, it may be said that the public opinion of an urban community is likely to be more perfectly mirrored by its representatives than is the case in a rural constituency.

With respect to the various types of measure, there has been, in the fifteen years covered by this study, a more clear-cut public opinion on prohibition than on most questions. On the other hand, questions of taxation and finance have always been looked upon with suspicion by the average voter. The attitude of the rural voter towards these subjects is shown by the fact that in the counties outside of Cuyahoga and Hamilton only 15 per cent of the legislative yea votes on taxation and finance measures were supported, while in these two urban counties 72.7 per cent of such measures were upheld by the voters. Measures relating to offices and elections fared about the same.

All in all, this brief study points to the dislike of the electorate for change especially in the non-urban areas, and that changes involving taxation and finance or new ideas in governmental machinery are likely to be given a cold shoulder by the voting public. Moreover, we are led to the belief that the state legislator is far from being a rubber stamp for the voters. At least on questions which have been brought to referendum in Ohio their views are about as likely to differ from their respective constituencies as to be in accord with them.

HAVE OUR CITIES FALLEN DOWN ON THEIR TRAFFIC JOB?[1]

BY HAROLD S. BUTTENHEIM

Editor, "The American City"

Safety education, coördination of local efforts, adequate state laws, grade crossing elimination, and a stricter enforcement of traffic ordinances are urged as essential. The author believes that the average American of today would rather lose his right to vote than his right to operate an automobile. :: :: :: :: :: :: :: ::

"You can walk over to Seventh Avenue, but don't go across. You hear what I tell you, Rosie, don't go across! You may get killed."

This warning, which the writer overheard a tenement-house mother shout at her little daughter on the sidewalks of New York a few weeks ago, may well serve as the text for a discussion of the traffic job of our modern cities. Perhaps Rosie obeyed her mother and came home safely. But perhaps she was the little one who that day, as traffic fodder, helped to meet New York's average quota of three persons—one of them a child—killed by motor cars or trucks in the streets of that city every day in the year.

THE MOTORIST'S MENTAL ATTITUDE

As this is a *safety* congress, doubtless it is expected that I shall place the main emphasis on safety rather than on the facilitation of traffic. With this I am in hearty accord. No study of traffic problems is adequate, however, which does not recognize the fact that many persons prefer to drive in haste and possibly "see our jail" rather than to drive carefully and "see our town." If driving at high speed has slain its thousands since the automobile was invented, a foolish mental attitude of haste, when driving at comparatively low speed through traffic congestion, has doubtless slain its tens of thousands.

Next to the impulse of foolish haste I should place lack of courtesy as a primary cause of traffic accidents, where the driver is at fault. The same man who invariably rises from his chair when a woman enters a room or removes his hat when she enters a hotel elevator—neither of which actions has any value other than courtesy—will too often forget courtesy entirely when he is at the wheel and she is a pedestrian or in another car.

The mental attitude of most motorists and of some lawmakers appears to be that pedestrians who still survive as such are a well-nigh intolerable nuisance. We hear a good deal of the need of pedestrian *control* on the highways, but mighty little of the *consideration* which pedestrians, as a temporarily or permanently inferior order, should receive from their betters. But there is a ray of hope for them in the recommendation made last year by the National Conference on Street and Highway Safety, that pedestrians be accorded a safe and *dignified* use of the highways.

The case for the pedestrian is excellently stated by C. W. Stark, of the transportation and communication department of the Chamber of Commerce of the United States, in the Proceedings of the American Society of Civil Engineers for September, 1927:

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[1] The major part of a paper presented at The National Safety Congress, Chicago, September 29, 1927.

> Is there not a very positive relationship between the treatment accorded the pedestrian at intersections and his general attitude toward traffic? If he has no guaranty of protection when he proceeds on a "Go" sign—if he has to wait intolerably long periods for the signal to go, because there is little wheel traffic going his way, and when he does get the signal has to detour around cars stopped on the cross-walk and dodge other cars making all manner of turns, and then, perhaps, be left in the middle of the swirl by a sudden shifting of the signals—and if at unofficered intersections he has to weave his way through solid lines of vehicles that completely obliterate the cross-walks, and have the motorists blow their horns and crowd up to close the gaps so he cannot get through—in short, if the whole scheme of traffic control makes him a mere incident, he is, of course, going to cast rules and regulations to the winds and cross the streets whenever, wherever and however his judgment, faulty and inconsiderate though it be, determines. Give him a decent chance at the cross-walks. Mark them conspicuously and keep standing motor vehicles off them. Instil in motorists a wholesome respect for these intersections of sidewalk and roadway, and show pedestrians that regulations of pedestrians does not mean merely restriction for the convenience of motorists—and see whether this does not bring about changes in walking and in motoring habits that will cut pedestrian fatalities in half.

SAFETY EDUCATION THE FIRST ESSENTIAL

But do these human factors of haste and discourtesy belong in a discussion of the subject, "Have Our Cities Fallen Down on Their Traffic Job?" I am sure that they do, for statistics appear to prove that pedestrian fatalities constitute about two-thirds of all fatalities in which motor vehicles are involved, and that more than 90 per cent of the traffic accidents in cities are due not to defective mechanical equipment but to defective mental or moral or physical equipment of individuals. Some of these shortcomings can be reached by law, but for most of them education is the only hope. The most serious indictment, therefore, which can be made against our cities in relation to their traffic job is their failure to regard this job as primarily one of public education. Here, as elsewhere, the schools are the greatest potential force, but adult education through press and platform, and through local safety councils and civic organizations, demands much greater attention than it has yet had.

In addition to attacking haste, discourtesy and carelessness in drivers and pedestrians, a well-organized campaign of traffic education would seek especially to combat:

(a) Ignorance of the mechanics of the automobile and of the laws and ordinances governing its operation.

(b) Lawlessness—failure to obey the rules of the game, such as no public opinion would tolerate on the tennis court or the golf links.

(c) Selfishness—often shortsighted —such as that which causes farmers to fight the enactment of drivers' license laws or merchants to oppose reasonable restrictions of parking in congested city streets.

Indictment No. 1 is, therefore, the lack of a consistent and comprehensive educational policy directed against such human factors in the traffic problem as the foregoing.

FAILURE TO COÖRDINATE LOCAL EFFORTS

Indictment No. 2 relates to the failure of most municipalities properly to coördinate their own local efforts for traffic control and facilitation.

Perhaps no other municipal problem demands such intelligent and unselfish coöperation of the various branches of a city government. The traffic problem is not merely a police problem; it is also an engineering problem, a legal problem, a city planning problem, and, as has already been pointed out, an educational problem. It involves, moreover, inter-community relationships of a difficult and delicate nature. One of the essentials of effective traffic control is a much closer approach to standardization of traffic ordinances than has yet become the general practice.[1] This involves one of the hardest things which we human beings have to do—the relinquishing of some of our own pet ideas in the interest of harmony and progress.

Are not many city officials hindering progress in traffic control by stubborn insistence on their own infallible judgment or on the prerogatives of their own departments, instead of getting together with their fellow officials and with local civic bodies in a joint effort to solve this well-nigh insoluble problem? A few cities have organized traffic commissions through which some approximation of such coöperation has been brought about; but comparatively little use has yet been made of the valuable suggestions on "Organization for Traffic Planning" to be found in the 1926 report of the National Conference on Street and Highway Safety.

A conspicuous result of this lack of local coöperation in many cities is that, in the control and facilitation of local traffic, too little use has as yet been made of engineering skill. This has been due largely to too strict an adherence to the tradition of police control of movement on the streets. Traffic officers are, and doubtless should remain, under the control of the director of public safety or the chief of police, but a much more effective coördination is needed in most cities between the police and engineering departments. The limits of this paper do not permit a detailed discussion of this problem; but emphasis should, perhaps, be given to the importance of expert engineering skill in the selection and installation of signal systems and the marking of highways, as well as in activities generally recognized as of an engineering character, such as street opening, paving and widening.

During the past two or three years some progress has been made in the installation of signal lights operated on the so-called "progressive" or "wave" plan. Properly installed, this system makes possible an approach to a continuous flow of traffic at a predetermined speed, the lights changing from red to green as the motorist traveling at this speed approaches them. The result is the handling of traffic at a higher average rate of progress through congested sections than by the more common method of synchronized control; and the factor of safety is greater than on streets where all lights flash green at the same time with the result that the motorist is tempted to travel during the "go" period at a dangerous rate of speed in order to "beat" the lights for an extra block before they flash red and bring him to a stop again. Obviously, the grouping and timing of the lights in such an installation is a rather technical engineering problem. Would the chief of police or even the city engineer in the average municipality lose caste if he were to admit that it is beyond him, and call in an expert consultant to advise on this and other problems of traffic control?

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[1] In at least five states—California, Michigan, Colorado, Illinois and Minnesota—leagues of municipalities and other state bodies are urging the adoption of uniform traffic ordinances which have been drafted to supplement the respective state codes. These model ordinances have been made available for the municipalities in pamphlet form, and in the first two states mentioned have already been enacted by numerous cities and villages. In some of the other states—New York and Wisconsin, for example—state motor vehicle codes are so comprehensive as to leave little room for additional local regulation, except in details—such as parking rules, the establishment of one-way and through streets, and the prohibiting of left turns at certain intersections—which cannot be made uniform throughout the state. The Wisconsin code even goes so far as to provide that neither cities nor villages shall pass additional traffic regulations—a stipulation which takes the traffic subject from under the home rule provision of the State Constitution, and is causing grave doubt as to the validity of much-needed local regulations.

The forthcoming report on the special committee of the National Conference on Street and Highway Safety recently appointed by Secretary Hoover to draft a uniform traffic ordinance adaptable to American cities generally, will no doubt give a great impetus to progress in this important and difficult field of standardization.

As I have pointed out in my paper on "The Problem of the Standing Vehicle," published in *The Annals of the American Academy of Political and Social Science* for September, 1927, there is need for a fundamental attack on the traffic problem through city and regional planning, and through much more drastic limitations of building heights and of density of population than American cities have yet adopted. Here the efforts of city officials must be coördinated with those of city planning and zoning boards and of the regional planning organizations which are gradually beginning to function in our metropolitan districts.

LACK OF ADEQUATE STATE LAWS

A third way in which most of our cities have fallen down on their traffic job is in their failure to insist on adequate state laws for the control of motor vehicles.

There has been available this year for enactment by the several states a Uniform Vehicle Code, drafted with great care under the leadership of Secretary Hoover, by committees of the National Conference on Street and Highway Safety. Some states have already adopted the code or important features of it, and several other states have laws previously adopted which are so good as hardly to require wholesale revision; but most of our forty-eight commonwealths are still without an adequate motor vehicle code—or any at all.

It may be said that this is not a municipal problem, and that it therefore has no place in the present discussion. My belief is, however, that the lack of adequate and uniform state laws for motor vehicle registration, and for the licensing of operators and the regulation of vehicles on the highways, is of such outstanding importance that every city, in states where such lack exists, has but two proper alternatives—to use every effort to secure the enactment of such laws, or to meet their lack as far as possible by writing into local ordinances features which, in the more progressive states, are to be found in state codes. The courts would, I believe, sustain such ordinances as a proper exercise of a city's right to protect the lives of its citizens; but the complications involved in local enforcement would be so many that coöperation with other municipalities in a vigorous campaign for adoption by the state of the Standard Vehicle Code would be much the wiser course.

THE GRADE-CROSSING PROBLEM

Another traffic job of the first magnitude on which our cities and states have as yet largely fallen down, is the abolishing of railroad grade crossings. There were on December 31, 1926, according to the records of the Interstate Commerce Commission, on the railroads of the United States, a total of 234,280 highway grade crossings. Of these, more than 88 per cent—206,433 to be exact—were unprotected with any gate, signal or watchman. At the 27,847 "protected" crossings, the kinds of protection afforded and the number of casualties during 1926 were:

	Number of crossings	Number of accidents	Persons	
			Killed	Injured
Crossings protected by:				
Crossing gates	6,148	227	100	175
Crossing watchman	7,760	603	195	718
Audible and visible signal	6,427	216	143	270
Audible signal	5,308	406	216	460
Visible signal	2,204	262	119	269
Total protected crossings	27,847	1,714	773	1,892
Unprotected crossings	206,433	4,148	1,718	5,099
Total grade crossing of highways with railroads	234,280	5,862	2,491	6,991

An analysis of these figures shows that at the protected crossings the average for the year was one accident for each 16 crossings as against one accident for each 50 of the unprotected crossings. This is due in part, of course, to the fact that the more heavily traveled crossings are as a rule the protected ones, but the fact that 773 persons were killed and 1,892 injured last year at "protected" grade crossings in the United States is a strong reason for preferring abolition to protection.

Analyzing the 5,862 grade-crossing accidents of 1926 as to persons and vehicles affected, we find the following totals:

An amazing fact disclosed by another of the Interstate Commerce Commission's tabulations is that of the 5,862 accidents listed above, more than 1,100 were caused by vehicles *running into the side of trains.*

Our automobile marksmen are evidently fairly expert in attacking a locomotive or railroad car, whatever may be their skill in hitting the side of the proverbial barn!

Another surprising fact disclosed by the Commission's figures is that there was an actual increase in number of highway grade crossings on Class 1 railroads last year. Grade crossings to the number of 1,184 were constructed on these roads during 1926, while the

	Number of accidents	Persons	
		Killed	Injured
Pedestrians	519	293	241
Passenger automobiles	4,078	1,766	5,350
Autobuses	31	15	106
Autotrucks	861	281	902
Motorcycles or bicycles	26	18	13
Trolley cars	36	1	151
Animal-drawn vehicles	153	49	126
Other vehicles or machines	10	2	12
Pedestrians passing over or under trains or cars	27	7	20
All other grade-crossing accidents	121	59	70

number eliminated was 1,158, of which only 195 were eliminated by the separation of grade.

It has been estimated that to abolish all the grade crossings of railroads with streets and highways in the United States would cost at least $20,000,000,000. No one, of course, advocates any such expenditure in the immediate future. But New York has made an excellent start towards a state-wide program by the adoption, in November, 1925, of a constitutional amendment authorizing the legislature to issue bonds aggregating $300,000,000 for the elimination of railroad grade crossings, the expense of the work to be borne 25 per cent by the state, 25 per cent by the municipality and 50 per cent by the railroad company affected.

Any comprehensive program of grade separation, to accomplish the greatest good in saving life and expediting traffic, ought not to be restricted to railroad crossings. In many cases the separation of grades at intersections of highways with other highways would have much greater economic and humanitarian value than the abolition of crossings of minor railroad lines. Accidents and delays at street crossings are responsible for so many of our traffic ills that we must look forward to large and increasing expenditures throughout the United States for the separation of grades at the intersection of vehicular ways.

A nation-wide impetus that will grip the popular imagination and open the public purse must be given to the campaign for grade-crossing elimination before any substantial progress can be made. There is one way, at least, in which with the backing of the National Safety Council and other powerful organizations, I believe this could be done.

Unless the past is no guide to the future, the generally prosperous conditions now prevailing throughout the United States will be followed, some time within the next few years, by a period of business depression. One of the best means of minimizing such "hard times" when they come, and of re-stimulating industry and employment, will be to have a well-planned program of public works ready to set going with the aid of state and municipal funds. Why should not the abolishing of grade crossings be made a major factor in such a carefully prepared plan? Engineering studies; determination of proper division of costs between states, municipalities and railroads; the voting of funds to be available when the emergency arises—these and other measures of preparedness in times of prosperity are dictated, I am sure, by a sound public policy.

REVOCATION OF DRIVERS' LICENSES

As indictment No. 5, most of our states and cities have fallen down on their traffic job by undue leniency to persons guilty of reckless driving. The average American of today would, I believe, rather lose his right to vote than his right to operate an automobile. If the latter were made by law in all of our states not a natural right but a privilege to be exercised only by persons able to pass strict mental and physical tests, and if the license were always revoked by the courts for driving when under the influence of liquor and for chronic carelessness or disobedience to traffic rules, the effect would be very wholesome. The importance of this means of lessening traffic accidents has been emphasized in several recent letters to *The American City*. For example, G. C. Smith, executive assistant of the Safety Section of the City of Cincinnati, writes:

> We agree with traffic engineers in other cities that there is a certain percentage of drivers that will not be controlled by any traffic regulation

and it seems as though this percentage, which I believe is fixed at 12, is naturally reckless and responsible for most of the accidents that occur. For instance, in our records we find that the same driver will have accident after accident.

Arthur D. Hill, director of public safety of Toledo, states:

> Of the thirty-eight fatal accidents for the first six months of this year, but two drivers were bound over to the grand jury and neither of these two men indicted. In three cases intoxicated drivers were killed.

And Phil Wright, acting mayor of San Antonio, advocates heavy penalties on speeders and reckless operators of automobiles, and says:

> We have now in effect a "negligent collision ordinance" imposing a heavy penalty on operators of automobiles having a collision when in the opinion of the court the collision could have been avoided by using proper precaution. This ordinance has shown excellent results.

Many otherwise well-balanced advocates of personal liberty, in persuading themselves that the Eighteenth Amendment ought to be either repealed or nullified, have apparently overlooked the folly of allowing any or all of our more than twenty million motor cars to be operated by potential drinkers. There is a large measure of truth, I am sure, in the remark attributed to Henry Ford that the era of the automobile is necessarily bringing to an end the era of intoxicating beverages. That the manufacture and sale of intoxicants can be assumed to be a matter affecting only the persons who consume the stuff, is one of the most amazing examples of rationalization of which the human mind has ever shown itself capable.

LOUISVILLE ELECTION FRAUDS IN COURT AND OUT

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The Court of Appeals of Kentucky has recently declared the 1925 municipal election in Louisville invalid and the offices vacant because of extensive and skilfully planned frauds. Whereupon the Governor appointed to office the opposing candidates dishonestly deprived of victory two years before. :: :: :: :: :: :: ::

In the request for this article it seems to be assumed that the sinister conditions in the 1925 election (involving all the city and county government of Louisville and Jefferson County), which was recently declared void by the Kentucky courts, resulted from some weakness in the election machinery, some defect in the law, but it is not so—those faults, if any, were trivial and certainly not fundamental. The essential cause, more probably, is the willingness of respectable groups of citizens to ally themselves with and sponsor a campaign which they know is being managed by men utterly devoid of political conscience. If they would not permit themselves as "the committee" to screen the real managers, the public, no longer misled, would quickly do its part. It is the old, old story over again of dummy corporate directors lending their names to bunco the public — with an apologetic flood of indignation and surprise after the damage is done and the exposure comes.

FACTS ESTABLISHED IN COURT

That the art of election thievery was developed to the highest point of efficiency and placed in operation by the Republican organization in the 1925 election in Louisville clearly appeared from the judicial review of its plans and performances. That the Republican campaign committee and candidates were without any proven knowledge of it merely emphasizes the menace of such an alliance as they willingly made.

The language used by the trial court in expressing its conclusions from the evidence is as definite as words can possibly make it. The court said:

> As to the charge of illegal voting, the evidence leaves no doubt whatever that there was a scheme, concerted by an inner circle of "practical" men in the Republican organization, to get into the ballot boxes a sufficient number of false Republican ballots to insure the seating of the Republican candidates, no matter what might be the result of the ballots lawfully cast. There is not a word of evidence that the Republican candidates or the Republican Campaign Committee, or any one of them, had any knowledge of this scheme, and, as stated above, it was admitted by counsel for plaintiffs in argument that these persons were ignorant of what was being done. But that the scheme was formed and was carried out in part, at least, cannot be seriously questioned. It is admitted by defendants' counsel that approximately five hundred illegal votes were cast and the proof shows that the number was larger than that. These were not ballots of qualified voters cast in an illegal manner, through ignorance or mistake. They were ballots cast by persons not entitled to vote at all, cast chiefly by hired impostors, impersonating registrants whose names were lawfully put upon the register a year earlier but who had meanwhile lost the right to vote in the precinct where registered by death or removal therefrom. There were a few who voted twice and some where impostors voted the names of legal voters. Without other proofs, the mere fact that so large a number of false ballots was cast shows, of itself, that there was a concerted scheme to procure them. Things of this kind do not happen spontaneously. They are the product of a plan.
>
> But there is other proof. It is not necessary to accept all of the items of evidence offered in support of the claim of conspiracy. Some of them are, perhaps, questionable. But there is enough that is unquestionable to establish the existence of the conspiracy claimed, a conspiracy to undermine the very foundation of popular government. No condemnation can be too severe to characterize such treason against the very spirit of our institutions.

It may well be reasoned that the development and execution of such a conspiracy was not the incident of one election. It was the outgrowth of a political habit, systematically nurtured through many campaigns by the same "practical men" who controlled in 1925, all the while gaining force in personnel of operators and cunning of plan. A fair understanding of it, therefore, requires something of a review of Louisville's political history.

The Republican organization was continuously in control of the local government in Louisville from 1917 to the election in November, 1925. This administrative authority included, of course, the control and custody of the election machinery and equipment, apportionment of voting precincts and, most important of all, the administration of criminal laws, carrying, as its natural incident, a sinister mastery over those professional and semi-professional lawbreakers, who were shrewd enough and reckless enough to be of great service in any police-protected plan of election stealing.

PERMANENT REGISTRATION LAW PASSED

Multiplication of the electorate, through the enfranchisement of women and the growth of the city, had made the old system of *annual* registration of voters an easy instrument of fraud, so that in 1924 the legislature of Kentucky provided for a so-called permanent registration system. This contemplated that a voter once registering should thereafter be entitled to vote in all subsequent elections so long as he remained a resident of the same precinct. An important feature of this law was the method provided for ridding the registration books of illegal registrants at purgation proceedings held annually in each precinct approximately thirty days before election day. A Democratic and Republican purgation officer were appointed to hold these proceedings in each precinct, with power to take testimony and decide upon the eligibility of any name challenged. In case of disagreement either officer had the right to certify the name to the circuit court, where the voter's eligibility could be determined. If the purgation officers unwarrantably struck any name the voter had the right to appeal to the circuit court.

It is important to note that the law provided, as an aid to identification and investigation of registrants at purgation time and on election day, an elaborate form on the registration book in that the registrant was required to set out not only his name and address, but matters entering into his personal description—height, weight, occupation, etc., and finally was required to sign in the registration book his or her signature, a method, of course, being provided for signing where the registrant disclaimed, under oath, an inability to write.

A special federal census in 1925 showed that Louisville had a negro population of approximately forty-seven thousand. Most of them lived in the so-called solid "black belts" where the Democratic party was without election officers. (The constitution requires residence in the precinct as a qualification.) Many of these people never live in one place longer than a few weeks and the districts were dominated by Republican leaders. Altogether these things made it exceedingly difficult for the Democrats to obtain accurate information as to the legality of registrations in these localities. At the election approximately 32,500 negroes appeared on the registration books—70 per cent of the entire colored population, men, women and children.

CONSPIRACY BASED ON FAILURE TO PURGE LISTS

It is important to keep in mind the detail and theory of operation of this law providing for registration and purgation, because in its evasion and abuse the Republican conspiracy was founded. Thus after placing upon the registration books, in 1924, the names of all the voters in the city (not to mention illegal registrants), when the registration approached for the 1925 election thousands of those who had registered in the previous year had moved into other precincts and, as they had the right to do, these voters applied for and obtained registration in the precincts appropriate to their new residences. Thus the same person was registered in at least two separate precincts, appearing upon the book of each as an eligible voter. The law provided that in such cases, at the time of making the new registration, the registrant should indicate whether he was registered in another precinct and make proper entries for cancellation, but this provision of the law was not observed by the Republican party, then in office, except in a very few instances.

The 1925 registration having been completed, the Democrats set into motion the law's machinery for canceling such of the illegal registrants as its investigations had disclosed, amounting to approximately ten thousand names. They asked that these names be certified to the purgation officers that they might meet in their precincts and strike off the names that were illegal and ineligible. The purgation remedy affected then and now the very vitals of the registration law, yet it was deliberately thwarted by the Republican organization, through instructions to its representatives, acting as purgation officers, framed in cunning words to the effect that the officer should not strike off any name of a removed or dead registrant. Of course, the Democratic officer could not strike any name off by his separate act and, as we have shown, the only recourse left was to certify the name to the circuit court. As a result there were poured into the circuit court ten thousand separate purgation cases for decision within the two weeks before election day. The impossibility of the task was further added to by the obstructive delay of the Republican officials who had, through their offices, the duty of issuing and serving the notices upon the challenged voters.

THOUSANDS ON BOOKS NOT ENTITLED TO VOTE

Accordingly on election day there were thousands of names appearing as eligible voters upon the official registration books, which were not entitled to vote, and which should have been cancelled in the operation of the law, and would have been, except for the methods adopted by the Republicans to thwart the law. The reason for these tactics was that the Republican organization knew and had records in their headquarters of these ineligible names, which they purposed voting, through impostors, on election day.

It was developed by the evidence in the contest case that the Republican organization had made a poll of every precinct in the city several times before the registration and that they had, upon a certain set of books kept at their headquarters, the names of registrants who had become ineligible. *The fact that these names were not entitled to vote was not indicated on its precinct books, which it put into the hands of its precinct officers on election day, but on the other hand, those books, on their faces, showed names to be eligible which headquarters knew were not eligible.*

Upon this state of facts the question naturally arose: Why did the Republican organization make its poll and find out the ineligible names unless it was to give that information to those representatives who would be looking after its interests in the voting places on election day? No other legitimate use for such information can be thought of. But there was a use made which was the natural sequence of the plan to keep these ineligible names upon the official registration books. They planned to vote those names and naturally it was not well that their own precinct books should show the disqualification. There is little doubt that in the white districts many votes on these names were put over on many Republican precinct officers who were not in the conspiracy and felt justified in allowing any name to vote which their dearly beloved headquarters had not marked otherwise.

The use of repeaters or impostors in elections is doubtless a natural outgrowth of the complexities and confusion of the mass in city politics; but, in view of the fact that our registration books carry a physical description of each registrant, it is somewhat more difficult to perpetrate the fraud now than it was in the years gone by when the only information appearing upon the record was whether the voter was black or white—all being then males of course. Scientific management, therefore, had evolved in the Republican organization a scheme to defeat this precaution of the law by selecting the impostor with some attention to likeness to the voter he was to impersonate. They supplied themselves at headquarters with thousands of printed forms ("repeater slips"), corresponding to the form on the official registration book; then they copied on to each slip the name and description of an ineligible voter as it appeared upon the registration book. For a week before election day a large number of faithful organization workers were engaged in the preparation of these slips in a special room in the neighborhood of, but not in, the regular headquarters. These facts were developed by the testimony of the private secretary of one of the Republican leaders who had assisted in the work. It is interesting to note that the printed matter on these slips was so phrased and disguised that they gave on their faces the impression that they were to be used in connection with the registration; but, as was later admitted, they were not used in that connection at all. It is further interesting to find that each slip had upon it a space for inserting the street address of the voting place where the name thereon could be voted, so that when the slip finally came into the hands of an impostor he knew where to go to perform his service.

IMPOSTORS ASSEMBLED IN CONCENTRATION CAMPS

The next step in the execution of the conspiracy involved the mobilization and direction of the army of impostors. This was a strange crew, divided into concentration camps—some white, some black—each in charge of a director, into whose hands were placed a number of the repeater slips. Remembering that they were to impersonate voters of all degrees in society's scale, it was interesting to find that there were among them Jews and Gentiles; young, middle-aged and old; whites and blacks; Italians, Germans and Irish, corporate executives, mechanics and bums; males and females, organized with real attention to detail. One amusing story was how a white ex-convict out of luck was dressed up in a suit, loaned him for the occasion, that he might look more like a voter.

The bold, unrestrained, unafraid spirit actuating the Republican leadership was disclosed in the fact that the personal servant of the Republican chieftain voted at least twice (and he has never even been arrested, much less penalized); while the chief's first assistant, when chided with the lawless reputation of his lieutenants, defiantly declared that there was no prejudice in his organization against bootleggers.

Attached to these camps of repeaters were "flotillas of automobiles for their conveyance about town," as they are described by the trial judges; and the "camp director" selected his men by the slips which furnished the information needed to find the voting place, answer the description and put over the vote.

As suggested above, this plan of operation was such that when a repeater arrived at a precinct the Republican precinct officer would find, both on his own organization's and the official registration book, that the name was eligible to vote, and so it was voted without headquarters being required to take into the confidence of its conspiracy all its precinct officers. How well the scheme worked and how accurate were the impersonations is illustrated by the voting of the names of prominent Jewish people, Italians and others from fashionable hotels and apartment houses in precincts in which it is difficult to believe that all of the Republican officers knew there was a fraud being perpetrated. In the impersonation of voters the Republicans used indiscriminately ineligible names whether they were registered Republican, Democratic or Independent, and efforts to vote names registered as Democrats in Democratic strongholds were traced back to their repeater camps.

This in brief was the fabric of the conspiracy which, when all is said, was based upon the principle that, starting with a vast amount of repeater material, they would silently send into the polling places, all day long, applicants to vote these names, and while they did expect and did receive rejection in many cases, the experiment developed early in the day the polling places at which resistance was or was not to be found. When an impostor applicant was rejected he simply walked out of the polling place and was sent off to try another name at another place, so that in the end the plan simply involved a question of how many fraudulent votes could be put over by organized, orderly, persistent effort.

OPERATING DETAILS SHREWDLY ARRANGED—DISORDER TABOO

Important operating details were arranged with admirable shrewdness, looking both to the disguise and promotion of the plan. As has been noted *disorder* was taboo. Operations visible to the naked eye were discouraged. One reason for this lay in the fact that a Citizens' Committee of one hundred outstanding business men were on duty election day, circulating, in pairs, throughout the city "to insure" a fair election. This movement was suggested by the Republican organization and was held up as an example of its honorable intentions. These committeemen wore long streamers to indicate their arrival at voting places and naturally their observations could reach no farther than the surface of things. In the contest case great store was laid upon their testimony by the Republican organization to exonerate itself from the charges of fraud, because these gentlemen, with rare exception, testified that they saw nothing wrong and knew of nothing subject to criticism. In response to this the court of appeals, in its review of the case, said:

> This naturally would be true. This conspiracy was not something that would be discovered by men of this type passing about the city. . . . We do not regard its report as throwing much light on matters. They are to be commended for their efforts to bring about a fair election, but care had been taken that the work of the conspirators should be done in such a way that the mayor's committee, and other good citizens, would know nothing of it unless they discovered it by accident.

However, in several instances, committeemen had an inquisitive impulse to find out what was going on, and, realizing that the operations at the voting places were covered up, they sought out and entered repeater camps in negro districts and found repeater slips actually in the hands of the "directors." What these men discovered subsequently furnished well-nigh indispensable corroboration of the testimony which came from witnesses engaged in the conspiracy and necessarily, therefore, of questionable character.

POLICE REFUSED TO ACT

Again the conspiracy had absolute police protection. In spite of the hundreds of fraudulent votes, which were definitely proven, there were hundreds of attempts, which were rejected, and yet not a single arrest was made, except in three instances. These were made at one precinct upon the absolute demand of a citizens' committeeman, after he had seen repeating attempted and after one repeater had been released by a Republican officer on a plea of youth. It may be interesting to know that in the case of these arrests the prisoners were promptly released on bail furnished by the Republican henchmen. They have never been brought to trial and the Republican administration in the criminal court has never even forced a collection of the bail bonds.

At another precinct a negro voted the name of a man admittedly dead, and the police refused to arrest him unless the sole white Democratic representative in that precinct would leave the polling place and go some distance away to obtain a warrant at the city hall. The warrant was obtained, the man was arrested and was promptly released by the Republican authorities in the criminal court.

The alliance between the police and the Republican organization was further exemplified by testimony disclosing the assignment of certain politicians to collect money regularly from them each pay day throughout the year,—with no very definite explanation as to who got the money after it reached headquarters.

In the plan of this conspiracy the police were expected to do *nothing* and well they carried out their part of the program.

NOVEL METHOD OF PAY ROLL CONTROL

The method of paying repeaters was interesting. In the negro districts this was handled through a system of bulldog checks—an aluminum disc about the size of a half dollar, bearing the imprint of a bulldog. A precinct worker would give a check to a negro repeater who had put over a vote and this was then taken to a district paymaster, who would redeem it for two dollars. This plan served a double purpose in that only a few men had to be trusted with the actual handling of money and the appearance of money around the polling places was avoided. It is common knowledge that frequently precinct workers are indiscreet and when they have money to handle they make displays of it, while others are faithless and keep the money for themselves. The Republican plan corrected these evils.

Acts of intimidation and violence were confined to one assault by a policeman upon a white voter in a negro precinct and to one crowd of negro thugs who circulated through the negro districts attacking several negroes who were wearing Democratic badges. The principal idea behind the operations of this gang seems to have been to give warning to all negroes that the black belt was unsafe for Democracy. In one instance a negro Democratic election officer was called out of the polling place and was shot at and driven off by the gang. From a police standpoint, the only result of these operations was that the Democratic negro shot at was arrested, as likewise, in the several other instances, the negro Democrats assaulted were arrested, and the Republican gunmen were allowed to go unmolested. Their names were known then and now, but they have never been brought to justice.

As to methods in the voting places: The challenges of Democratic representatives were mostly ignored and the election officers would not require applicants to furnish a signature for comparison with the signature upon the registration book. Voters were allowed to crowd in, so that intelligent identification was impossible; and, to cap the climax, when the time came, in the course of the contest litigation, to offer an explanation of the admittedly fraudulent voting, the Republican organization brought forward strange stories of how negro Democrats had perpetrated the frauds, and attempted to foist these stories on the court as testimony; but the whole wretched business came to utter collapse and shipwreck upon the fact that in the precincts in question the Democratic candidates received no votes. It is really remarkable that such a ludicrous theory should ever have received sponsorship from the men who were intelligent enough to have conceived the original conspiracy.

MONEY

Money, as a part of this conspiracy, has not been heretofore mentioned, but rather has reference to it been saved until the last that its evil influence might be emphasized here, as it has been in many other post-election investigations. There seems to be no practical way of revealing corruption funds before an election, or of giving the public an opportunity to become indignant then about such a state of affairs. It is only after the damage is done that the truth is revealed and the public finds how it has been bought and sold.

In the Louisville case the Corrupt Practices Act, by the most liberal interpretation, permitted an expenditure of $85,800 as the maximum all candidates upon the Republican ticket might spend collectively. The Republican Campaign Committee filed statements, as required by the Act, showing an expenditure of $55,744, upon the oath of an amiable chairman, who "did not know." The testimony showed that they actually spent $141,000. When asked about this deliberate falsification and discrepancy the "practical" manager simply said "I can't explain it."

Of this money at least $32,000 in cash was shown to have been in headquarters on election day, having been brought there early in the morning in one dollar and five dollar bills. Twenty thousand dollars of this came out of a safety vault box, which had been held for at least four years, in the name of the two Republican bosses, as the secret store of their political funds. The source of these funds and the amount which had passed through this box was said by one of the bosses (who testified) to be known to no living man, other than the one boss who elected not to testify. The distribution of this money on election day was not reasonably explained,—at least as to some $13,000 or more,—and this sum unaccounted for, at the prevailing rate paid repeaters, $2.00 each, indicated a volume of at least 6,500 fraudulent votes. The balance of the funds were under the nominal control of a bank president, as treasurer of the Republican organization. Here again the public was deluded by the association of this splendid gentleman's name with the Republican management, because, as a matter of fact his control of the fund was *nil*. It was spent entirely under the direction of "the inner circle of practical men," the checks being perfunctorily signed by the reputable treasurer. When it was developed in the trial that $12,000 had been drawn from his bank in one and five dollar bills on election day and carried to Republican headquarters "the treasurer" was utterly astonished. A detailed analysis of the disbursements shows a personnel of beneficiaries of the Republican organization's bounty which carries an interesting significance to those persons who are acquainted with the relationships and associations of Louisville politics; it means not much to any other.

These, then, were the strategies of the Republican conspiracy in 1925 which the courts denounced so vigorously; and by its exposure is brought a warning to those best minds and respectables who have been ever ready to walk in darkness with notorious political tricksters, in election times, that they might have a working alliance with the administrative powers, between elections, so long as they were not embarrassed in their own consciences by any definite and visible evidences of fraud which could not be explained away. Probably the courts and the public of the future will not deal so kindly with unseeing and unknowing campaign committees and candidates.

CRIMINAL STATISTICS AND IDENTIFICATION OF CRIMINALS

BY LOUIS N. ROBINSON

A report submitted to the Sub-committee of the National Crime Commission on Pardons, Parole, Probation, Penal Laws and Institutional Correction. :: :: :: :: :: :: :: :: ::

In our effort to understand and appraise that part of the machinery of criminal justice which takes hold of the criminal at the time of his conviction, we have found it necessary to make some study of the work of other parts of the machinery, that is, of the police and of the courts. After all, it is one machine, not three or four, and it has but one purpose, namely, the protection of society from the injurious acts of individuals. So interrelated are all the parts, so dependent for efficiency one part on the other, that it must function as a whole if it is to guard society from the attacks of those who would do it harm.

THE PARABLE OF THE WHEAT GROWER

The interdependence of the parts of the machinery of criminal justice can best be illustrated by a parable: A certain farmer had a large field of wheat. He hired men to cut it and bring it to the threshing machine. It was threshed, and the grain hauled to the storage house and finally ground into flour. He was astonished to find how little flour he had, and began to investigate. The first thing he found was that the men he hired to cut the grain and to bring it to the threshing machine had left by far the larger part of the grain standing untouched in the field. He found, too, that the threshing machine did not do a good job of separating; that the grain moulded in the storehouses and that the mills were not doing all that they could to make the most and the best flour out of the poor stuff brought to them. The moral, we think, is clear: Our police must catch a larger per cent of criminals, and our courts must tighten up on their procedure. More efficient work in prisons and reformatories and more genuine probation will, of course, assure a better product but these divisions of the machinery of criminal justice can act only upon that part of the criminal crop that is brought to them by the police and the courts and this is, indeed, but a small proportion of the total.

THE GODDESS OF JUSTICE IS TODAY A DISSOCIATED PERSONALITY

Unfortunately, this fundamental fact of oneness has been lost sight of, and the various parts now operate independently and haphazardly with the result that we have undoubtedly more crime in proportion to population than any other civilized nation in the world. This lack of coöperative functioning, so essential if any headway is to be made against crime, is set forth in the following quotation:

> Some years ago, I piloted a group of students through the Norristown State Insane Asylum. At the end of our trip we were taken to a huge dining room. One scene that I witnessed has always remained with me. Seated at one of the tables were ten or twelve inmates, men and women, who seemed to be having a very interesting time. The conversation was voluble and animated. Several were talking at once. The strange thing, however, that I noticed was that each talker had no listeners. Each individual seemed to be separated from all the others by an invisible wall, no less effective, however, than if it had been a wall of stone or concrete. Each lived in a world of his own in which interesting things happened but which had seemingly little or no relation with the worlds in which the others lived. The evening meal, the common board, usually effective in producing a spirit of group unity, and common life, had no such unifying effect on the ten or twelve inmates. Each lived unto himself alone.
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> The parts of the machinery of criminal justice are, I sometimes think, as isolated from each other and as lacking in unity as the insane individuals gathered about the table in the asylum. The people who specify what acts are to be crimes, the police who catch those who commit these acts, the jails that hold the criminals for trial, the courts that try the accused, and the prisons and other agencies which receive the offenders for punishment do not function as one unified organization through which a common purpose runs. Each part lives and works alone, knowing little and caring little what the other parts are doing and failing thus very largely to accomplish the task of protecting the public from crimes, a task which is their only excuse for being.[1]

Put in business terms this state of affairs may be likened to the condition of a huge holding corporation made up of several individual units with numerous branches, operating over a great expanse of territory and doing a big business, so loosely organized, however, and so devoid of effective supervision, that the units do pretty much as they please and the stockholders stand around helpless and hopeless in the face of the loss which they plainly foresee. "There is no head," says the Minnesota Crime Commission, "to any of these groups of officials, no agency for coordination of their work. Furthermore, even in a single locality, there is no provision for coöperation among the officials concerned with crime. Sheriff, police, county attorney, and judge may work together—or they may not. Nothing in our law compels them to cooperate. They owe responsibility to no common chief, except the rather vague one to the public."[2] Business concerns have been pulled out of just such holes and made to pay good dividends to their owners, but it meant that somewhere there was enlightened and understanding leadership, not merely the use of strong-arm methods. Our great public organization for the suppression of crime can also be rescued from its present evil plight, but not without thought and much hard work.

ACCOUNTING: THE FIRST STEP IN BUSINESS EFFICIENCY

When a business is small, it is possible for the owner to hold all the details in his head and personally to supervise all the works. After the business has expanded to a certain point, this kind of control is no longer possible and resort must be had to accounting. Now, anyone familiar with the methods of big business today knows that not a thing is done without a record being kept of it. The science of business statistics has come to the aid of the owner, and enabled him to maintain contact with far flung forces operating sometimes literally thousands of miles away.

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[1] Louis N. Robinson, "The Content of Punishment," *Annals of the American Academy of Political and Social Science,* May, 1926, pp. 229–232.

[2] Report of the Minnesota Crime Commission, January, 1927, p. 15.

NO CHECK-UP NOW POSSIBLE ON THE AGENCIES OF CRIMINAL JUSTICE

How is it with this great organization which we call criminal justice made up of police, courts, prisons, parole and probation officers, and doing a business that runs into millions and millions of dollars in each state of the Union? What do we, the owners, know about the operation of these various units? Almost nothing. The United States has the worst criminal statistics of any civilized country in the world and has the most crime. Is there any connection between these two facts? It seems to us that the connection is clear. Without detailed facts and figures showing exactly what is going on, we, the owners, can not exercise any effective control over the individual units engaged in the work of suppressing crime. We may no longer depend on what we as individuals know about affairs; the business has grown beyond our personal knowledge.

In 1922, the American Institute of Criminal Law and Criminology, said:

> The annual reports of the Committee on Statistics of the Institute have shown that no city nor state in our Country now publishes adequate criminal statistics for the guidance of the public, the legislature and executive officials. The contrast between our ignorance or loose guesses and the instructive statistics issued in England and on the Continent is discreditable, and our lack of knowledge retards intelligent and efficient progress. The police, the public prosecutor, the judiciary and the general public alike suffer and are all, particularly the public, subject to being misled by self-deceived or unscrupulous individuals or newspapers. We believe that the dilatoriness, inefficiency and costliness of the Criminal Courts could not have continued had their defects been clearly revealed by proper, annually-published records.[1]

POLICE REPORTS

An absolute essential in the building of a good police force is the matter of reports. No modern business concern would dream of carrying on for even a day without having a complete system of recording its work; and yet few police forces in this country keep records that would even remotely compare with those of the average business house. It would seem, as the first principle in efficiency that the head of every police force should have laid before him daily a summary of crime conditions in the city, and that at the end of the year he should make a complete public report, not merely of the arrests but of the complaints as well. How can we, the public, judge the efficiency of a police force in eliminating crime if we have no records that will make possible a comparison of complaints with arrests, that is, of the amount of work to be done by the police with that accomplished? For the most part, the annual police reports are little less than ridiculous. Information as to the number of sick horses, bushels of oats for the horses, pairs of puttees bought, days of illness, number of guns, and sometimes the number of arrests, can be had, but it is useless to look for a statement as to the number of crimes reported or any facts that would enable one to judge of the efficiency of the force. How can the men be assigned to the various districts of a city if a constant watch is not kept on the varying criminality in each district? The lack of adequate statistical information bearing on the activities of the police in the suppression of crime is certainly one good explanation of the prevalence of crime in American cities.

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[1] Program of the American Institute of Criminal Law and Criminology, February 1, 1922.

COURT WORK AND STATISTICS

Effective public control of the criminal courts, in the broad democratic sense of the people controlling an institution of their own creation, must rest on judicial criminal statistics which for this purpose are today practically non-existent in all the states of the Union with the exception, perhaps, of Massachusetts. On some such control as this, analogous be it noted to that exercised by the stockholders of a corporation on the basis of monthly, semiannual or annual reports must we depend for the maintenance of a high level of performance. It can not be too strongly emphasized that changes in the machinery of the courts, however much they may be needed, will not alone insure increased efficiency. Only when the public is put in possession of facts sufficient as a basis for intelligent criticism will there be present the possibility of compelling results.

Many of the states recognized the importance of judicial criminal statistics years ago, long before business organizations with their elaborate statistical departments demonstrated how to maintain effective supervision through accurate accounting. For example, New York state has been trying for ninety-eight years to compile statistics of convictions in courts of record and has not yet succeeded in developing them to the point where they are worth anything. No other state can quite match this long record of wasted effort although some of them come very close to it. The first task which each of the recently created state and city crime commissions has had to undertake, has been the collection of data relating to the work of the courts. Not one could turn to reliable compilations but each was compelled to start independent statistical inquiries of its own.

WHAT DO WE KNOW OF OUR DEALINGS WITH CONVICTED OFFENDERS?

Certain of the states have tried to keep track of the population in prisons, jails, workhouses, etc., but the work of collection, compilation and analysis of the figures has been, for the most part, so poorly done that it might just as well have been left undone.[1]

The federal government has likewise tried its hand at this task. Under the law governing representation in the house, our central government is forced to count noses every ten years. In 1850, someone conceived the notion of branding all criminals at this decennial round-up and this practice has been continued, with varied modifications, to this day, although since 1890 the census year and the year for securing information with regard to criminals has not always coincided, due to the desire of the census bureau first to finish with the general population statistics before considering special classes. Thus we have reports for 1850, 1860, 1870, 1880, 1890, 1904, 1910 and 1923. We note that between 1890 and the next census of criminals a period of fourteen years elapsed and that between 1910 and the next count an interval of thirteen years. Imagine a business concern that looked over its affairs once in thirteen or fourteen years! The reports for 1850, 1860, and 1870 are of so little value that it is useless to discuss them here. The report of 1880 is a great improvement over the preceding reports but is nevertheless a flat failure from the point of view of determining the amount of crime in the country. Only those criminals who were found *in confinement* on June 1, were enumerated, no attention being paid to those who had been *committed* during the year. For the same reason the report of 1890 is of little use. In the report of 1904, this mistake was remedied, and the changed procedure was followed in 1910 and 1923. Consequently, these three reports do give us an interesting picture of the stream of humanity which pours through our penal and correctional institutions. Beginning with the present year, 1927, the federal government will collect statistics annually from the state prisons or penitentiaries and from the state reformatories for adults. So inadequate are the records kept by jails, workhouses, houses of correction, road camps, etc., that the bureau of the census with its present statistical force finds it useless to attempt annually to procure statistical information from them. The annual reports of the federal government will therefore cover only about 9.5 per cent of the total commitments to our penal and correctional institutions.

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[1] Louis N. Robinson, "Criminal Statistics in the United States, Boston and New York" (Houghton Mifflin Company), Chapters IV and V.

OUR FEDERAL CRIMINAL STATISTICS ARE TOTALLY INADEQUATE

Let no one imagine for a moment that the present federal criminal statistics are adequate for supervision and control over the machinery of criminal justice or give to the scientist the data which is needed for the study of crimes and criminals. What we need to know is, first of all, the number of crimes that are reported to the police each year. Secondly, we should know how many arrests are made, and then be told what happens at each stage of the proceedings until the man is finally released from the court or the prison with a clean bill of health or declared incurable and fit for perpetual confinement. In other words, we should have information showing how many cases are thrown out by trial magistrates, by grand juries and by public prosecutors, how many are tried, convicted and what is done with and what becomes of the convicted. Without this information, we can bluster, complain and scold to our heart's content, but we cannot enforce efficiency because we can not place our finger on the sore spots that need attention. Now the decennial reports of the federal census bureau deal only with convicted prisoners, and, as a matter of fact, with not all of these. For example, those who paid fines instead of "doing time" as a substitute, escaped mention; so also those who were placed on probation, an ever increasing number, be it noted. Even if these two classes were included, the statistics would not suffice. We have already called attention to the excessively long interval between the appearance of these reports, but we should note especially that they tell us nothing about the work of the police, nothing about the work of the courts, give no information on the success of institutional and parole work and consequently must be considered as only a partial report from only one of the operating units of this great governmental plant. The effort to collect annual reports is a step in the right direction, but, even if successful, will not suffice since it relates solely to the narrow field of state prisons and reformatories.

CONCLUSIONS

This committee wishes, therefore, to call attention to certain fundamental facts: The public must recognize that the police, the courts, the prisons and reformatory institutions, the probation and parole officers are all parts of one great organization for the protection of society from crime. It must also realize that it cannot maintain efficient control of this huge concern without the aid of scientific accounting. Furthermore, it should understand that the collection of criminal statistics is a peculiarly difficult problem in this country. Each of the forty-eight states is free, subject only to certain general provisions in the federal constitution, to enact such laws as it deems effective in dealing with crime. Within each state, local control of police, courts and penal institutions adds to the difficulty of collecting figures. Crime, however, is not solely a matter of local importance. Before we can obtain adequate criminal statistics for the United States as a whole, much foundation work will have to be done in each state. Present methods of keeping police, court, and institution records will need to be overhauled and a plan of reporting to some central agency thoroughly worked out and placed on a business-like basis. We are convinced that each state should establish a bureau of criminal statistics. Such a bureau would not conflict with the Federal Bureau of the Census but would, on the contrary, be of enormous assistance to it. The individual states have the power, if they care to exercise it, to collect the information needed to enable us to deal intelligently with crime. Unless the individual states can be made to see that criminal statistics are necessary to secure efficiency in the administration of criminal justice, it is extremely doubtful if the federal government will ever be in a position to compile trustworthy information on crime and criminals for the United States as a whole. A state bureau of criminal statistics, if properly manned and scientifically run, could within a very few years do more to make the administration of criminal justice what it should be than any other innovation of which we have knowledge.

IDENTIFICATION OF CRIMINALS

If the police are to bring a reasonable proportion of the criminals of this country before the courts of justice and present evidence that will convict, then there will have to be a great development and expansion in the machinery now used in taking and recording finger prints.

LACK OF COÖPERATION WITH THE FEDERAL BUREAU

The federal department of justice maintains the only bureau of identification which may be considered to be of national scope. It is a well managed bureau doing good work but greatly limited by the meager use now made of it. It can not require chiefs of police, sheriffs and constables to send in finger prints. It is run merely for their convenience; they may use it or not. While there are now some 481 chiefs of police using the bureau, this does not mean that duplicates of all finger prints which they take are sent to Washington. Each uses this service only in case of necessity, that is, when the criminal can not otherwise be identified. To July 1, 1924, New York had sent 1,335, Chicago 2,331, and Philadelphia, 515. This failure of complete registration means a great lack in all around efficiency even for those cities which do use the federal bureau, for while a certain criminal may be well known in one city he may be entirely unknown in another one. Hence if the second city to which he has gone sends his finger prints to Washington, it will not get any help in identifying him, for the reason that the first city did not find it worth while to send in a duplicate of his finger prints. Only 362 sheriffs out of the two to three thousand in the United States, be it noted, have ever used this bureau, and as in the case of the chiefs of police these have not sent in a duplicate of all finger prints taken, merely the occasional one.

STATE BUREAUS OF IDENTIFICATION GREATLY NEEDED

Only thirteen states (California, Indiana, Iowa, Massachusetts, Michigan, Minnesota, Nebraska, New York, North Carolina, Ohio, Oklahoma, Utah, Washington) now have state identification bureaus and some of these have as yet scarcely begun to function.[1] It would certainly seem the part of wisdom for each state to establish a central bureau of identification. "Out of the first 48,000 finger prints received by the California bureau, 7,500 were identified as having prior criminal records, unknown to the arresting departments. Many habitual delinquents, when confronted with the records of their prior conviction, plead guilty and thereby save the state the expense of jury trial."[2] "Six hundred and sixteen of the arrests were fugitives escaped from penal institutions outside of this state. The identification and subsequent extradition eliminated the expense of prosecution and confinement in California. . . ."[3]

Such bureaus are needed to develop the finger print work in rural areas and to standardize the whole work of identification throughout the state. "A primary difficulty," says Mr. Hoover, director of the federal bureau of investigation, "has been caused by the lack of knowledge on the part of sheriffs of the nature of finger print impressions as an invaluable guide to identification, and the correct process for securing the desired prints."[4]

The Iowa state criminal identification bureau realizing the great necessity for such educational work, conducts a school once a year for sheriffs, and chiefs of police, so that the fullest coöperation may be had between the local law enforcing officers and the bureau. The brief tenure of office of sheriffs and constables changing so frequently makes the prospect rather a dreary one, but this work of education will certainly have to be carried on by some state agency.

A state bureau of criminal identification is an invaluable aid to all agencies and organizations that deal with offenders. Of what significance is a severer penalty for a repeater, or a life sentence threatening a man who is convicted of his fourth felony if there is no authoritative means of ascertaining how many previous sentences he has served? Certainly the offender will not confess his past dealings with the law, and unless he happens to be particularly notorious or has the ill luck to be tried in the same court or remembered by a judge or prosecuting attorney, how can the recidivist be singled out for either added punishment or special corrective treatment? Every social agency today insists on securing as complete a case history as it is possible to obtain before attempting to deal with an individual. The success of our newer methods of handling offenders is going to depend in large part on what we can find out about them. The

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[1] Date of establishment of State Bureaus of Criminal Identification: California, 1918; Indiana, 1927; Iowa, 1920; Massachusetts, 1905; Michigan, 1925; Minnesota, 1925; Nebraska, 1921; New York, 1896; North Carolina, 1925; Ohio, 1923; Oklahoma, 1925; Utah, 1927; Washington, 1923.

[2] *Minnesota Law Review*, Vol. II, January, 1927, Supplement, p. 23.

[3] *Ibid.*, p. 24.

[4] Report of J. Edgar Hoover, Director of Bureau of Investigation, Department of Justice, July 20, 1926, pp. 6, 8, 9.

Massachusetts bureau of identification has this to say of the assistance it has rendered in this direction:

> During the past year we have had special opportunities to assist some of the newer agencies. Psychiatrists find that complete criminal records are necessary before they can make decisions concerning the mental and criminal tendencies of their subjects. The probation officers in various sections of the state have continued their coöperation with this department. For their work, our system of positive identification is necessary in order that they may obtain complete criminal records. A number of their violators have been advertised by means of finger print records through the Bureau.[1]

The detection of criminals, one of the weak points in our police work, would be greatly facilitated by good state bureaus of identification. The Oklahoma state bureau, established in 1925, after a year or so of activity, in discussing this phase of its work, says:

> A State Criminal Identification Bureau serves the purpose of bringing together in one office information useful to all police officials throughout the state. A Bureau of this kind serves to unify the police units and sheriff's offices. Instead of isolated and poorly functioning defenders of the public, the peace officers are, now, more homogeneous organizations, better equipped to deal with criminals.[2]

August Vollmer insists that the centralization of records is indispensable. He says:

> Formerly police records were kept in each of the police units within the city. Experience has shown that they (the records) are inseparable, and to be correctly informed of crime conditions, we must centralize our records. A bureau of records, if properly organized, is the hub of the police wheel.[3]

AN ADEQUATE IDENTIFICATION SYSTEM FOR THE UNITED STATES

In our opinion state bureaus of criminal identification are indispensable units in a national system of criminal identification. It is impossible for the federal bureau to do all the work; it can, however, serve as a clearing house for all the forty-eight states. This is as much as it can or should do. The American Prison Association has made the following recommendation.

> We recommend that each state of the United States enact the necessary legislation to establish a state bureau of criminal identification to coöperate with the various departments of police, and the National Bureau of Criminal Identification.[4]

Only state bureaus can undertake the huge responsibility of training local police officers in the scientific business of taking correct and systematic finger prints.

After a state bureau has been established, all finger prints should then be made in triplicate, one for the office making the arrest, one for the state bureau and one for the central bureau in the federal department of justice at Washington.[5] The Oklahoma law distinctly says that finger prints must be made in triplicate, one copy to be sent to the Federal Bureau in Washington, one to the state bureau, and one to be kept by the local authorities arresting the man. Unfortunately this provision is not found in the laws of the other twelve states having identification bureaus although the Michigan law seems to imply this. It is probable therefore that prints will be sent to Washington only when the state bureau has failed to identify them. This is a very shortsighted policy for if the federal bureau can not function properly without the assistance of state bureaus, it is likewise true that the state bureaus can not do good work without the help of a clearing house like that of the federal bureau. The states should therefore see to it that a provision for sending duplicate prints to Washington is inserted in the law.

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[1] Quoted from 1925 Report of Agent for Identification of Criminals. Massachusetts Department of Correction Report, p. 154.

[2] Report of Oklahoma State Bureau of Criminal Identification and Investigation for Period Beginning April 1, 1925, Ending November 30, 1926, p. 7.

[3] *Journal of Criminal Law and Criminology,* "Aims and Ideals of Police," Vol. 13, August, 1922, p. 256.

[4] Report of the Committee of the American Prison Association on Criminal Identification and Registration, Proceedings of the 55th Annual Congress, 1925, p. 102.

[5] "The authorities are gathered in the *American Bar Association Journal* of March, 1926. The great weight of authority is that no constitutional objection exists, and that the rule against self-incrimination applies only to testimonial evidence. Where finger prints are taken to ascertain if the prisoner has a criminal record in order to determine the advisability of bail or to have a means of recapturing him should he break jail, no constitutional problem is involved. If the accused voluntarily has his finger prints recorded or measurements made, any possible privilege has been waived."—*Minnesota Law Review,* Vol. II, January, 1927, Supplement, p. 27.

It goes without saying that a state bureau can not succeed without the whole-hearted cooperation of city and county peace officers. The laws of all the thirteen states having bureaus do not insist on so simple a thing as the requirement that duplicate finger prints be sent to the state bureau. Only nine of the thirteen require this.

The provisions on this point read variously. Iowa makes finger printing compulsory in the case of all persons held for the commission of felonies and the violation of liquor laws and requires that duplicates be sent to the state bureau. California, Utah, Ohio, Nebraska, Michigan and Minnesota require all sheriffs, chiefs of police, etc., to furnish daily to their state bureau copies of finger prints and descriptions of all persons who in the best judgment of the police are wanted for serious crimes, or are fugitives from justice, or have in their possession upon arrest, goods reasonably believed to be stolen, burglar tools, explosives, or implements for making counterfeit money. Massachusetts, New York and Minnesota, besides requiring the description and finger prints of every person held for serious crimes to be sent in to the state bureau, have widened the scope of their records by making it compulsory for keepers of state prisons and lockups, to send in to the state bureau descriptions and finger prints of every person committed to such institutions upon conviction of a felony charge. New York also includes those who have been convicted twice of certain misdemeanors.

The remaining states are seemingly hampered by the absence of any provision compelling peace officers to support the bureau by contributing prints to it. Indiana does say that chiefs of police and county sheriffs must "coöperate" with the state bureau but this may mean little. Washington has a state bureau of identification, only by courtesy, as it has never been created by legislative act. However, the Washington State Sheriffs Association created a state bureau of identification in 1917. In 1920 it was discontinued, to be reconstructed and reorganized in 1923 as a state bureau serving police officers. There is, of course, no law to compel the various sheriffs and chiefs of police to furnish records of finger prints.

Every competent student of the crime problem, both here and abroad, has always insisted that an efficient police system is the best defence of organized society against crime. In our opinion, the present undeveloped status of criminal identification constitutes a serious obstacle to police efficiency. To punish severely the few who are unlucky enough to be caught does not, we are convinced, afford the protection to society which would ensue were a large per cent of those who break society's laws caught by the police and given reasonable sentences.

COMPARATIVE TAX RATES OF 249 CITIES, 1927

BY C. E. RIGHTOR

Detroit Bureau of Governmental Research

Mr. Rightor's annual report on tax rates is becoming a standard.

THE accompanying table presents in summary form a record of the tax rates upon property as levied in 1927, for all cities over 30,000 population in the United States and Canada replying to the questionnaire.

There is nothing complex about the compilation. Most of the readers of the REVIEW are acquainted with this table for past years, and the same information is furnished this year.

It is recognized that the general property tax has been and continues to be the major source of revenue of cities. The census bureau's "Financial Statistics of Cities Over 30,000, 1925," the latest available report, shows that 63.7 per cent of all revenue receipts of 247 cities were from this source. Incidentally, this report discloses that 35.3 per cent of the nation's population is in cities over 30,000.

It is found to be of much concern, therefore, to taxpayers, both large and small, to know how the taxes in one city compare with other cities, and how the levies for the several purposes compare. The figures here presented furnish this information for the current year,—the total tax rate per $1,000 assessed valuation, and a subdivision of the total as to the amount each for city, school, county, and state (in Canada, province) purposes. The assessed valuation upon which the rates are levied is reported also, with the percentages each of realty and personalty.

Because the legal basis of assessment in some states varies from 100 per cent, which is the predominant basis, it is desirable to adjust the rates to a uniform 100 per cent basis of assessment in all cases, thus permitting a correct and direct comparison between cities. This is done in the column entitled "adjusted tax rate."

Further, because it is accepted that the legal basis of assessment (100 per cent of true or cash value) cannot be realized generally in actual practice, attempt is made to indicate what the actual tax burden in each city would be were the full value used in assessing. This is done in the last two columns. These two columns, important as the actual facts would be, must represent merely the best estimates that can be made.

The cities are presented in order of population, by the five census groups, the census bureau's 1926 estimates being used again this year as the 1927 estimates were not available. An official revised census taken in a few cities since 1926 is used. These estimates do not take care of extraordinary conditions affecting some cities, and therefore per capita comparisons made without considering the facts in each case might lead to unwarranted conclusions.

The figures present their own case, largely. There are many reasons for estimates being required in cases, and for a note of explanation owing to local circumstances. Here, again, the tax rates may be compared only when the particular facts respecting each city are known.

WIDE RANGE IN TAX RATES

The compilation is definitely limited to property taxes, and does not purport to report the total revenues or budget of any city. The basic information desired—namely, an itemization for each city of the tax rate per $1,000 assessed valuation—should be readily available, in theory at least. The tabulation shows that in attempting to compile these rates many difficulties arise. Variations in practice due to the freedom of states in drafting their own tax laws and procedure, such as the varying units of assessment and taxation, classification of property, tax limits, varying fiscal periods, etc., have been discussed in presenting previous tax rate data and it is believed need not be repeated at this time.

The variation among cities in applying the legal basis of assessment results in wide ranges of the rates. Analysis of the uniform 100 per cent tax rate column discloses that the range is from $76.30 for Evanston to $14.14 for Lancaster. For the Canadian cities, the range is from $50 for South Vancouver to $23.31 for Montreal. This column shows an average rate for all cities of $33.16. The average for 215 cities in 1926 was $32.98.

In order to make available an estimate of the actual tax burden, the uniform rates were readjusted according to the best obtainable estimates of the percentage of such uniform basis used, and the resultant rate reported in the last column. The inadequacy of these estimates as the basis for exact conclusions is appreciated, but some such readjustment seems essential in determining the relative tax burden. The range upon this readjusted basis is found to be from $48.98 for Pueblo to $11.06 for Little Rock. For the Canadian cities, the range is from $37.84 for Saskatoon to $17.48 for Montreal. The average for all cities is $24.02. This average for 215 cities in 1926 was $23.66.

THE TREND OF PROPERTY TAXES

One of the most important deductions which may be made from the present table, when compared with the figures reported in 1926, is the trend of the property tax. Comparison of the rates in 176 cities reporting for both years shows that this year the average rate has remained nearly the same, only a fractional increase having occurred. Of these cities, 86 showed an increase, 72 a decrease, and 18 no change. The average increase for 176 cities was 23½ cents. This compares with an increase in 1926 over 1925 of 53½ cents. This comparison is based upon the 100 per cent column for these cities, and is exclusive of the Canadian cities.

By census groups, the lack of any definite trend of taxes for the year compared with 1926 is emphasized. Group I, 14 cities (6 increase, 8 decrease) show one per cent decrease; Group II, 8 cities (4 increase, 4 decrease) show a net increase of .8 per cent; Group III, 47 cities (21 increase, 20 decrease, and 6 no change) show a net increase of 1.5 per cent; Group IV, 57 cities (32 increase, 21 decrease, and 4 no change) show a net increase of .4 per cent; and Group V, 50 cities (23 increase, 19 decrease, and 8 no change) show a net increase of .7 per cent.

For the sixteen Canadian cities reporting both in 1926 and 1927, the average rate upon a uniform basis of 100 per cent is found to have increased slightly, from $34.85 per $1,000 in 1926 to $34.98 in the current year. Upon a readjusted basis, to reflect the relative tax burden on property, the average rate shows a slight reduction,—from $27.82 per $1,000 in 1926 to $27.12 in 1927.

ASSESSMENTS AND EXEMPTIONS PRESENT PROBLEMS

There are naturally numerous changes in the total rates for the cities and the detailed rates by purposes, but analysis shows no broad explanation for the total rate changes. They are not uniformly by population or geographical groupings. Reductions in several instances are due to substantially increased assessed valuations, thus indicating that more and more attention is being given to the need for modern and scientific assessing methods. San Francisco has undertaken a thoroughgoing re-appraisal, although the results were not available in time for use in spreading the current year's rates. Mobile similarly reports a re-appraisal under way. A report recently received from Chicago, entitled "A Study of Assessment Methods and Results in Cook County," prepared by the Joint Commission on Real Estate Valuation for the County Commissioners, indicates that assessing methods in that city have not attained the high standards followed, for example, by County Auditor Zangerle for Cleveland (Cuyahoga County), or Manager of Revenues Collins for Denver.

Under a uniform tax law on all property, there is nothing gained in having assessments upon other than a full valuation basis, or 100 per cent, although a few states provide otherwise. Indeed, there are many disadvantages, both to the public official and the property owner. The New York law, which provides that income taxes shall be distributed upon the basis of assessed valuations in the several counties, is having its effect in causing local assessing officials gradually to approach the 100 per cent basis in their valuations.

Another phase of the tax problem and assessments which is receiving attention is that of exemptions, which are growing in extent. The findings and recommendations contained in the 1927 report of the Joint Legislative Committee on Taxation and Retrenchment of New York are of interest in this connection.

In considering the general property tax in relation to the whole problem of taxes, it would seem that more and more consideration will be given to the basis for taxes outlined in the Model System of State and Local Taxation, presented at the National Tax Association in 1918, and published in the 1919 Proceedings of that Association.

Requests for the tax rate data were sent to 286 cities of the United States and 19 cities in Canada. Replies adequate for tabulation were received from 249 cities, and those who have occasion to read and use these figures should appreciate the spirit of coöperation of the public officials who have made possible this compilation.

COMPARATIVE TAX RATES FOR 249 CITIES OVER 30,000 FOR 1927

COMPILED BY THE DETROIT BUREAU OF GOVERNMENTAL RESEARCH, INC.

From Data Furnished by Members of Governmental Research Conference, City Officials, and Chambers of Commerce

	Census July 1, 1926	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate
			Realty	Personalty			City	School	County	State	Total				
Group I Population 500,000 and over															
1. New York, N. Y.[1]	5,924,000	$14,837,821,953	98	2	Jan. 1	May 1 Nov. 1	$20.22	$4.63	$.95	$.80	$26.60	100	$26.60	72	$19.15
2. Chicago, Ill.[2]	3,048,000	1,882,067,121	79	21	Jan. 1, '26	Jan. 2, '27	47.00	30.30	9.10	6.50	92.90	50	46.45	50	23.23
3. Philadelphia, Pa.[3]	2,008,000	4,198,256,362	75	25	Jan. 1	Jan. 25	17.50	9.00	....	....	26.50	100	26.50	90	23.85
4. Detroit, Mich.	1,346,580	3,394,333,510	82	18	July 1	July 15 Dec. 1	15.79	6.61	2.62	2.12	27.14	100	27.14	80	21.71
5. Los Angeles, Calif.[4]	1,280,000	1,723,188,625	95	5	July 1, '26	Dec. 1, '26 Apr. 15, '27	17.90	15.70	7.00	....	40.60	100	40.60	50	20.30
6. Cleveland, Ohio[5]	960,500	2,168,243,440	69	31	Jan. 1	Dec. 20 June 20	10.79	9.40	3.66	.25	24.10	100	24.10	80	19.28
7. St. Louis, Mo.	830,000	1,157,869,052	85	15	Apr. 13, '26	Nov. 1, '26	15.90	8.70	....	1.20	25.80	100	25.80	75	19.35
8. Baltimore, Md.[6]	808,000	1,818,880,682	58	42	Jan. 1	Jan. 15	18.37	5.53	....	2.74	26.64	100	26.64	80	21.31
9. Boston, Mass.	787,000	1,929,621,700	91	9	Jan. 1	Sept. 15	16.27	9.20	1.76	2.77	30.00	100	30.00	100	30.00
10. Pittsburgh, Pa.[7]	637,000	1,060,013,550	100		Jan. 1	Jan. 1	17.06	11.50	7.38	....	35.94	100	35.94	85	30.46
11. San Francisco, Calif.[8]	567,000	756,583,094	84	16	July 1, '26	Oct. 15, '26 Jan. 15, '27	28.26	8.34	....	....	36.60	100	36.60	50	18.30
12. Buffalo, N. Y.	544,000	1,038,460,390	99	1	July 1	July 1	21.14	7.46	4.14	1.24	33.98	100	33.98	78	18.70
13. Washington, D C.[42]	528,000	1,047,085,545	90	10	July 1	Sept. 1 Mar. 1	11.05	5.95	....	....	17.00	100	17.00	90	15.30
14. Milwaukee, Wis.	517,000	864,957,161	80	20	Jan. 1	Dec. 15	15.14	8.32	4.93	....	28.39	100	28.39	85	24.13
Group II Population 300,000 to 500,000															
15. Newark, N. J.[9]	459,000	838,875,639	78	22	Jan. 1	Apr. 15	19.39	8.95	5.03	4.53	37.90	100	37.90	100	37.90
16. Minneapolis, Minn.[10]	434,000	306,176,538	84	16	Jan. 1	May 31 Oct. 31	37.45	21.40	7.30	5.35	71.50	38	27.17	85	23.07
18. Seattle, Wash.[11]	411,578	271,458,767	79	21	Jan. 1	Mar. 1	32.76	14.32	12.73	12.27	72.08	50	36.04	96	34.60
19. Cincinnati, Ohio	411,000	1,039,600,600	80	20	Jan. 1	Dec. June	9.95	6.83	4.11	.25	21.14	100	21.14	90	19.03
20. Kansas City, Mo.[12]	375,000	488,265,830	69	31	May 1	June 1	13.75	11.50	4.50	1.30	31.05	100	31.05	71	22.09
21. Indianapolis, Ind.	367,000	646,749,380	67	33	Jan. 1	Jan. 1 July 1	11.00	10.00	2.90	2.30	26.20	100	26.20	85	22.27
22. Rochester, N. Y.	321,000	521,867,827	100		Jan. 1	May 1	15.63	12.00	4.59	1.34	33.56	100	33.56	69	23.16
24. Louisville, Ky.[13]	311,000	385,500,000	81	19	Sept. 1	Jan. 15	14.70	5.80	3.70	5.00	29.20	100	29.20	80	23.36

COMPARATIVE TAX RATES FOR 249 CITIES OVER 30,000 FOR 1927—*Continued*

Group III Population 100,000 to 300,000															
25. Toledo, Ohio	295,200	572,573,160	70	30	Jan. 1	Dec. 1 June 1	12.03	9.11	4.01	.25	25.40	100	25.40	80	20.32
26. Columbus, Ohio	285,500	584,858,990	73	27	Jan. 1	Dec. 20, '26 June 20, '27	8.62	8.74	2.99	.25	20.60	100	20.60	80	16.48
27. Denver, Colo.	285,000	430,349,870	70	30	Jan. 1	Jan. 1	10.31	13.80	4.12	3.67	31.90	100	31.90	80	25.52
28. Portland, Ore.[14]	282,383	338,462,420	83	17	Dec. 1, '26	May 5 Nov. 5	20.00	10.70	7.90	7.40	46.00	100	46.00	60	27.60
29. Providence, R. I.[15]	275,900	596,908,990	60	40	Oct. 1, '26	Oct. 1, '26	16.25	5.99	....	1.26	23.50	100	23.50	100	23.50
30. Oakland, Calif.[16]	261,000	250,246,591	83	17	July 1	July 1	21.00	21.99	8.61	....	51.60	100	51.60	50	25.80
31. St. Paul, Minn.[10]	248,000	179,692,099	80	20	Jan. 1	Jan. 1	32.59	15.82	15.35	5.35	69.11	38	26.26	80	21.01
32. Atlanta, Ga.[17]	224,300	377,000,000	74	26	Jan. 1	May–July Sept.	8.40	6.60	11.00	5.00	31.00	100	31.00	70	21.70
33. Akron, Ohio	220,000	344,640,020	68	32	Jan. 1	Dec. 20, '26 June 20, '27	10.43	10.32	3.60	.25	24.60	100	24.60	80	19.68
34. Omaha, Neb.	215,400	342,552,862	69	31	Jan. 1	May 1	11.35	13.00	3.30	1.80	29.45	100	29.45	60	17.67
35. Birmingham, Ala.	211,000	209,104,579	80	20	Sept. 1	Oct. 1	11.50	6.50	11.50	6.50	36.00	60	21.60	60	12.96
36. San Antonio, Texas	205,000	213,600,000	77	23	June 1	Apr. 1	18.80	8.30	8.70	6.70	42.50	100	42.50	75	31.88
37. Dallas, Texas	203,000	246,747,700	67	33	May 1	May 1	15.10	9.50	8.20	6.70	39.50	100	39.50	33	13.04
38. Worcester, Mass.	193,000	339,552,850	86	14	Dec. 1	Oct. 10	15.89	10.59*	1.20	1.52	29.20	100	29.20	85	24.82
39. Richmond, Va.[18]	189,000	257,400,000	93	7	Feb. 1	June 1 Nov. 1	16.00	7.50	....	....	23.50	100	23.50	67	15.75
40. Syracuse, N. Y.	185,000	302,326,444	100		Jan. 1	May 1	16.15	10.50	5.62	1.42	33.69	100	33.69	66	22.24
41. New Haven, Conn.[19]	182,000	308,145,045	85	15	Jan. 1	Mar. 1 Sept. 1	13.75	10.25	.33	.67	25.00	100	25.00	100	25.00
42. Dayton, Ohio[20]	177,000	336,603,190	75	25	Jan. 1	Dec. 1, '26 June 1, '27	10.06	9.56	3.93	.25	23.80	100	23.80	80	19.04
43. Memphis, Tenn.	177,000	245,844,324	90	10	Jan. 1	July 1	16.00	6.00	9.50*	2.50*	34.00*	100	34.00*	75	25.50
44. Norfolk, Va.	174,000	173,488,274	92	8	Jan. 1	July 1	19.60	9.80	....	....	29.40	100	29.40	67	19.70
47. Hartford, Conn.[21]	164,000	336,496,001	87	13	Apr. 1	July 1	9.63	11.27	.23	.75	21.88	100	21.88	80	17.50
48. Fort Worth, Texas	159,000	162,180,155	74	26	Oct. 1, '26	Oct. 1, '26	15.60	9.50	9.00	6.50	40.60	100	40.60	55	22.33
49. Grand Rapids, Mich.	156,000	263,425,606	70	30	Apr. 1	July 1 Dec. 1	12.40	13.67	3.29	2.69	32.05	100	32.05	80	25.64
50. Bridgeport, Conn.	153,000	256,794,919	75	25	Apr. 1	Apr. 1 Sept. 1	18.97	6.87	.28	.78	26.90	100	26.90	80	21.52
51. Des Moines, Ia.[22]	146,000	189,214,980	87	13	Apr. 1	Mar. Sept.	14.50	15.74	6.15	2.50	38.89	100	38.89	75	29.17
52. Oklahoma City, Okla.	145,000	118,973,221	85	15	July 1	Jan. 1	17.69	18.22	7.70	.50	44.11	100	44.11	45	19.85
53. Springfield, Mass.	145,000	303,350,510	89	11	Dec. 1, '26	Nov. 1, '26	15.37	10.47	1.22	1.54	28.60	100	28.60	85	24.31
54. Scranton, Pa.[7]	143,000	123,922,325	100		Jan. 1	Jan. 1	18.45	19.00	10.00	....	47.45	100	47.45	50	23.73
57. Nashville, Tenn.	137,000	166,404,540	75	25	Jan. 1	Aug. 1	16.50	3.50	7.50	2.50	30.00	100	30.00	75	22.50
58. Flint, Mich.	136,500	176,477,939	77	23	Mar. 1	July 1 Dec. 1	15.53	15.58	5.97	2.67	39.75	100	39.75	70	27.83
59. Tulsa, Okla.	135,900	118,240,110	80	20	July 1, '26	Nov. 1, '26	21.70	19.20	8.20	2.50	51.60	100	51.60	50	25.80
61. Salt Lake City, Utah	133,000	193,639,649	75	25	Jan. 1	Sept. 20	11.00	14.60	4.50	2.70	32.80	100	32.80	100	32.80
62. Camden, N. J.	131,000	181,710,495	89	11	Jan. 1	June 1 Dec. 1	11.88	8.32	4.76	4.54	29.50	100	29.50	100	29.50
63. Fall River, Mass.	131,000	188,926,550	70	30	Jan. 1, '28	Nov. 1, '27	21.50	10.61	1.32	2.17	35.60	100	35.60	100	35.60
64. Miami, Fla.[23]	129,100	320,238,350	98	2	July 1	Nov. 1	13.80	5.25	10.05	1.64	30.75	100	30.75	50	15.37
65. Erie, Pa.	125,000	136,341,421	96	4	Jan. 1	Mar. 1	12.20	14.00	7.00	....	33.20	100	33.20	75	24.90
66. Wilmington, Del.[24]	124,000	129,751,800	100		July 1	July 1	15.60	3.40	7.50	1.50	28.00	100	28.00	75	21.00
67. Cambridge, Mass.[25]	122,000	183,385,700	87	13	Apr. 1	Oct. 15	18.47	9.00	1.17	2.96	31.60	100	31.60	100	31.60
68. New Bedford, Mass.	119,539	216,191,900	68	32	Dec. 1	Oct. 1	18.13	6.92	.97	1.58	27.60	100	27.60	80	22.08
69. Albany, N. Y.[26]	119,000	187,331,711	99	1	Jan. 1	Jan. 1	21.64	6.02	5.23	....	32.89	100	32.89	79	25.98

	Census July 1, 1926	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate
			Realty	Personalty			City	School	County	State	Total				
70. Kansas City, Kan.	117,000	137,426,619	67	33	Jan. 1	Dec. 27 June 28	12.77	16.00	4.50	2.60	35.87	100	35.87	50	17.94
71. Yonkers, N. Y.[26]	116,000	280,219,938	100		Jan. 1	Apr. 1	13.48	9.74	5.16	....	28.38	100	28.38	85	24.12
72. Reading, Pa.	114,000	161,260,000	100		Jan. 1	Mar. 1	10.00	12.00	4.00	....	26.00	100	26.00	60	15.60
73. Elizabeth, N. J.	114,000	149,206,842	86	14	Jan. 1	June 1 Dec. 1	13.37	8.95	4.77	4.51	31.60	100	31.60	100	31.60
74. Duluth, Minn.[10]	113,000	80,646,384	75	25	Jan. 1	Jan. 1	23.69	29.40	10.56	5.35	69.00	38	26.22	80	20.98
75. Lowell. Mass.[27]	110,296	141,759,193	78	22	Jan. 1	Oct. 15	26.06	....	1.83	2.11	30.00	100	30.00	100	30.00
76. San Diego, Calif.	110,000	206,082,906	92	8	Jan. 1	June	19.90	17.90	29.10	....	66.90	100	66.90	60	40.14
77. Canton, Ohio	110,000	225,203,220	74	26	Jan. 1	Dec. 20 June 20	7.16	10.35	3.24	.25	21.00	100	21.00	100	21.00
78. El Paso, Texas[27]	109,000	101,125,000	80	20	Mar. 1	Jan. 1	19.50	....	9.80	6.70	36.00	100	36.00	70	25.20
79. Spokane, Wash.	109,000	85,981,102	75	25	Jan. 1	Feb.	20.00	13.70	10.68	14.02	58.40	50	29.20	84	24.53
80. Tacoma, Wash.[28]	106,000	65,600,639	78	22	Jan. 1	May 31 Dec. 21	27.92	14.50	20.30	13.38	76.10	50	38.05	100	38.05
81. Lynn, Mass.	104,000	132,791,015	85	15	Jan. 1	Nov. 1	20.41	8.59	....	....	....	100	....	...	....
82. Utica, N. Y.[26]	103,000	131,327,468	100		Jan. 1	Aug. 1	16.89	9.36	7.36	....	33.61	100	33.61	67	22.52
84. Fort Wayne, Ind.	100,500	218,445,150	76	24	Mar. 1	May 1 Nov. 1	6.14	8.60	2.86	2.30	19.90	100	19.90	70	13.93
85. Somerville, Mass.	100,000	116,406,900	91	9	Jan. 1	Oct. 15	15.58	7.64	1.60	3.78	28.60	100	28.60	80	22.88
Group IV Population 50,000 to 100,000															
86. Knoxville, Tenn.	98,800	166,000,000	85	15	Oct. 1	July 10	13.00	4.00	9.00	2.00	28.00	100	28.00	75	21.00
87. Long Beach, Calif.	97,700	168,859,180	88	12	June 30	Oct. 15, '26 Jan. 1, '27	14.00	18.90	7.50	....	40.40	100	40.40	50	20.20
88. Savannah, Ga.	96,400	77,766,717	75	25	Jan. 1	Apr.–July Oct.–Jan.	18.00	10.00	12.50	5.00	45.50	100	45.50	60	27.30
89. Evansville, Ind.	95,100	132,856,710	67	33	Jan. 1	May 1 Nov. 1	12.60	10.00	3.90	2.30	28.80	100	28.80	100	28.80
90. Allentown, Pa.	94,600	80,615,000	100		Jan. 1	Mar. 1	11.40	15.00	3.00	....	29.40	100	29.40	50	14.70
91. Lawrence, Mass.	93,500	130,734,975	73	27	Jan. 1	Oct. 1	12.39	9.39	2.29	2.33	26.40	100	26.40	100	26.40
92. Schenectady, N. Y.	93,000	191,501,494	100		Jan. 1	Mar. 1	11.67	10.11	3.02	1.03	25.83	100	25.83	95	24.54
93. Wichita, Kan.	92,500	130,662,113	78	22	Oct. 15	Nov. 1, '27 June 1, '28	9.50	16.00	3.30	2.60	31.40	100	31.40	70	21.98
95. Bayonne, N. J.	91,000	158,825,057	75	25	Jan. 1	June 1 Dec. 1	27.68	2.65	7.24	1.92	39.49	100	39.49	60	23.69
96. Hamtramck, Mich.	87,800	117,177,128	68	32	July 1	July 15	13.62	9.50	2.48	2.11	27.71	100	27.71	75	20.78
97. Harrisburg, Pa.	84,600	85,433,510	100		Jan. 1	Mar. 1	14.00	18.50	6.00	....	38.50	100	38.50	50	19.25
98. Manchester, N. H.	84,000	113,214,646	68	32	Apr. 1	Apr. 1	14.80	7.70	2.27	3.03	27.80	100	27.80	100	27.80
99. Peoria, Ill.	82,500	43,434,065	70	30	Jan. 1	Jan. 1	28.47	27.50	8.33	6.50	70.80	50	35.40	50	17.70
100. South Bend, Ind.	81,700	188,000,000	67	33	Jan. 1	May 1 Nov. 1	7.30	10.75	4.35	2.30	24.70	100	24.70	70	17.29
102. Rockford, Ill.	78,400	47,736,388	65	35	Jan. 1, '26	Jan. 1, '27	21.70	25.90	17.60	6.50	71.70	50	35.85	80	28.68

COMPARATIVE TAX RATES FOR 249 CITIES OVER 30,000 FOR 1927—*Continued*

103. St. Joseph, Mo.	78,400	81,419,250	73	27	Apr. 19	May 5	12.50	12.25	7.95	1.30	34.00	100	34.00	60	20.40
104. Wilkes-Barre, Pa.	78,300	112,175,352	95	5	Jan. 1	Apr. 1	15.70	16.00	6.90	....	38.60	100	38.60	75	28.95
105. Sioux City, Ia.	78,000	111,765,000	76	24	Apr. 1	Jan. 1	11.75	16.63	3.62	2.50	34.50	100	34.50	60	20.70
106. Highland Park, Mich.[26]	77,000	207,882,500	47	53	July 1	July 15 Dec. 1	10.40	8.40	4.64	....	23.44	100	23.44	80	18.75
108. Little Rock, Ark.	75,900	60,075,665	75	25	Jan. 1	Jan. 1 Apr. 10	7.42	12.00	8.75	8.70	36.87	50	18.44	60	11.06
109. Charleston, S. C.	74,100	23,389,796	71	29	Jan. 1	May 15 July 15	58.00	20.00	19.75	5.25	103.00	42	43.26	71	30.71
110. Sacramento, Calif.	73,400	99,421,350	88	21	Jan. 1	Oct. 15	17.80	26.35	6.65	....	50.80	100	50.80	72	36.58
111. Saginaw, Mich.	73,300	92,169,191	78	22	July 1	July 1	14.49	14.88	6.64	2.62	38.63	100	38.63	100	38.63
112. Lansing, Mich.	73,200	149,780,599	75	25	May 1	July 15	11.64	9.52	3.21	2.46	26.83	100	26.83	80	21.46
113. Binghamton, N. Y.[26]	72,900	116,686,113	100		Jan. 1	Jan. 1 July 1	17.58	7.69	5.99	....	31.26	100	31.26	85	26.57
114. East St. Louis, Ill.	72,300	50,854,510	60	40	Jan. 1	Apr. 1	41.00	39.10	7.50	6.50	94.10	50	47.05	50	23.53
116. Chattanooga, Tenn.[26]	72,200	106,823,484	88	12	Oct. 1	Oct. 1	10.80	6.60	12.00	....	29.40	100	29.40	60	17.64
119. Winston-Salem, N. C.[26]	71,800	130,000,000	53	47	June 1	Mar. 1	6.00	4.00	6.00	....	16.00	100	16.00	75	12.00
120. Hoboken, N. J.	71,000	101,702,942	91	9	Jan. 1	Apr. 1 Dec. 1	23.16	11.15	7.26	4.58	46.15	100	46.15	65	29.91
121. Pawtucket, R. I.[15]	71,000	135,231,540	60	40	Jan. 1	Oct. 1	12.98	5.85	....	1.17	20.00	100	20.00	100	20.00
122. Chester, Pa.	70,400	67,903,696	100		Jan. 3	Mar. 1	10.00	12.00	4.13	....	26.13	100	26.13	70	18.29
123. Springfield, Ohio	70,200	116,530,990	73	27	Jan. 1	Dec. 20, '26 June 20, '27	5.90	8.45	3.00	.25	17.60	100	17.60	70	12.32
124. Passaic, N. J.	69,900	103,482,677	80	20	Jan. 1	June 1 Dec. 1	15.36	9.25	4.23	4.56	33.40	100	33.40	70	23.38
125. New Britain, Conn.[26]	69,600	111,096,012	80	20	Apr. 1	July 1	15.26	9.30	.94	....	25.50	100	25.50	80	20.40
126. Racine, Wis.	69,400	97,561,719	81	19	Jan. 1	Jan. 1	5.25	10.75	4.17	....	20.17	100	20.17	75	15.13
127. Wheeling, W. Va.	68,662	119,259,275	75	25	July 1	Nov. 1	8.70	9.90	5.00	1.40	25.00	100	25.00	70	17.50
128. Berkeley, Calif.	67,800	85,158,700	93	7	July 1	Oct. 20 Jan. 1	14.40	19.30	15.00	....	48.70	100	48.70	54	26.22
129. Altoona, Pa.	67,000	67,980,635	100		Jan. 1	Mar. 1	7.50	12.00	7.50	....	27.00	100	27.00	60	16.20
130. Mobile, Ala.	66,800	48,689,306	74	26	Oct. 1	Dec. 1	11.00	12.00	5.00	7.00	35.00	60	21.00	100	21.00
133. Brockton, Mass.	65,343	76,438,500	84	16	Dec. 1	Oct. 15	23.76	9.18	1.66	1.40	36.00	100	36.00	80	28.80
134. Huntington, W. Va.	65,300	132,316,202	80	20	July 1	Nov. 1	6.35	10.90	3.70	1.40	22.35	100	22.35	80	17.88
135. Springfield, Ill.	64,700	30,164,100	70	30	Mar. 1	Jan. 1	39.10	31.40	7.60	6.50	84.60	50	42.30	50	21.15
136. Bethlehem, Pa.	64,400	69,621,580	89	11	Jan. 1	Mar. 1	12.16	13.40	5.02*	....	30.58*	100	30.58*	70	21.41
138. Quincy, Mass.	63,000	130,038,700	88	12	Jan. 1	Oct. 1	17.41	6.52	1.09	2.18	27.20	100	27.20	100	27.20
139. Lincoln, Nebr.	62,700	116,518,105	77	23	Sept. 1	Oct. 1	6.75	15.00	2.43	3.75	27.93	100	27.93	75	20.95
140. Roanoke, Va.	61,900	64,981,069	80	20	Jan. 1	Nov. 1	17.50	7.50	....	....	25.00	100	25.00	50	12.50
141. East Orange, N. J.	61,700	112,970,232	90	10	Jan. 1	June 1 Dec. 1	16.85	7.96	5.09	4.50	34.40	100	34.40	67	23.05
142. Holyoke, Mass.	60,400	117,068,780	80	20	Dec. 1	Nov. 1	13.86	6.97	1.55	1.82	24.20	100	24.20	100	24.20
143. Fresno, Calif.	60,200	49,279,363	83	17	July 1	Oct. 1 Jan. 1	24.36	14.50	17.50	....	56.36	100	56.36	50	28.18
144. Portsmouth, Va.	59,900	39,138,020	86	14	Jan. 1	Nov. 1	19.44	7.56*	....	....	27.00	100	27.00	70	18.90
145. Jackson, Mich.	59,700	84,877,353	80	20	Jan. 1	July 1	9.96	8.94	6.55	2.72	28.17	100	28.17	75	21.13
146. Lakewood, Ohio	59,500	142,137,060	88	12	Jan. 1	Dec. 1, '26 June 1, '27	7.55	8.89	3.66	2.90	23.00	100	23.00	50	11.50
147. Topeka, Kan.	59,500	82,217,105	75	25	Jan. 1	Nov. 1, '26 June 20, '27	12.82	13.50	4.88	2.60	33.80	100	33.80	70	23.66
149. Covington, Ky.	58,500	48,000,000	90	10	July 1	June Dec.	13.60	11.40	5.70	3.00	33.70	100	33.70	60	20.22
150. Pasadena, Calif.	58,400	181,791,150	85	15	July 1	Oct. 11, '27	12.40	20.90	8.10	....	41.40	100	41.40	75	31.05
151. Niagara Falls, N. Y.[26]	58,300	135,415,173	100		Jan. 1	Nov. 1	9.95	11.28	5.69	....	26.92	100	26.92	100	26.92
152. Wichita Falls, Texas	58,026	45,100,060	77	23	Apr. 1	Oct. 1	21.00	10.00	6.50	8.00	45.50	100	45.50	67	30.49

	Census July 1, 1926	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city taxes	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate
			Realty	Personalty			City	School	County	State	Total				
153. Lancaster, Pa.	57,100	105,000,000	100		Jan. 1	March June	5.00	8.00	1.14	....	14.14	100	14.14	85	12.02
154. Augusta, Ga.	55,700	52,164,957	67	33	Jan. 1	Apr. 1–July 1 Oct. 1	17.50	12.75	9.00	5.00	44.25	...	44.25	50	22.12
156. Newton, Mass.	54,700	139,979,250	86	14	Jan. 1	Oct. 15	16.98	7.78	1.30	1.34	27.40	100	27.40	100	27.40
157. Charlotte, N. C.	54,600	123,070,295	72	28	Jan. 1, '26	Oct. 1, '26	8.60	3.00	....	....	11.60	100	11.60	75	8.70
158. Kalamazoo, Mich.	54,500	78,115,900	72	28	Jan. 1	July 1	11.00	14.06	5.93	2.76	33.75	100	33.75	100	33.75
159. Pontiac, Mich.	54,203	59,037,261	77	23	Jan. 1	July 1 Dec. 1	18.48	17.47	11.26	2.88	50.09	100	50.09	75	37.57
160. Atlantic City, N. J.	53,800	312,886,939	95	5	Jan. 1	June 1 Dec. 1	15.15	4.71	4.61	4.53	29.10	100	29.10	100	29.10
161. Oak Park, Ill.	53,500	20,819,631	85	15	Jan. 1, '26	Mar. 1, '26	37.50	73.00	9.10	6.50	126.10	50	63.05	50	31.53
162. Cedar Rapids, Ia.	53,100	53,020,436	85	15	Apr. 1, '26	Jan. 1, '26	12.20	9.45	5.40	2.50	39.55	100	39.55	50	19.78
163. Kenosha, Wis.	52,700	67,764,900	77	23	Jan. 1	Jan. 1	9.60	10.76	4.38	4.26	29.00	100	29.00	62	17.98
164. Beaumont, Texas	52,500	52,045,500	79	21	July 1, '26	Oct. 1, '26	14.00	8.50	9.30	6.50	38.30	100	38.30	60	22.98
165. Davenport, Ia.	52,469	66,532,840	87	13	Apr. 1	Sept. 1	13.50	14.77	6.75	2.50	37.52	100	37.52	60	22.51
166. Malden, Mass.	52,400	66,827,275	86	14	Jan. 1	Oct. 1	14.05	11.17	1.54	4.44	31.20	100	31.20	100	31.20
167. Hammond, Ind.	52,300	82,857,436	65	35	Jan. 1	Apr. 1 Oct. 1	11.50	13.60	5.80	2.30	33.20	100	33.20	60	19.92
168. Mt. Vernon, N. Y.	51,900	129,640,845	100		Jan. 1	Jan. 1 July 1.	12.06	11.18	4.42	1.34	29.00	100	29.00	86	24.94
171. New Castle, Pa.	50,700	58,466,040	94	6	Jan. 1	Mar. 1	9.75	13.75	6.50	....	30.00	100	30.00	65	19.50
172. Springfield, Mo.	50,600	38,980,398	70	30	July 1	Sept. 1	12.50	14.00	5.30	1.20	33.00	100	33.00	70	23.10
Group V Population 30,000 to 50,000															
173. Medford, Mass.	49,700	71,662,950	90	10	Jan. 1	Oct. 15	18.00	10.00	1.40	3.00	32.40	100	32.40	90	29.16
174. McKeesport, Pa.	49,500	45,000,000	100		Jan. 1	Mar. 1	11.50	16.50	8.50	....	36.50	100	36.50	40	14.60
175. York, Pa.	49,400	49,249,860	98	2	Jan. 1	Mar. 1	9.50	14.00	10.00	....	33.50	100	33.50	60	20.10
176. Haverhill, Mass.	49,232	66,415,800	84	16	Jan. 1, '26	Sept. 15, '26	19.96	7.74	1.22	1.48	30.40	100	30.40	100	30.40
177. Bay City, Mich.	49,200	48,101,475	79	21	July 1	Aug. 1 Dec. 1	14.95	15.20	4.91	2.25	37.31	100	37.31	100	37.31
178. Galveston, Texas	49,100	57,855,837	75	25	July 1	Sept. 1	19.90	4.00	11.00	6.70	41.60	100	41.60	75	31.20
179. Elmira, N. Y.[26]	49,000	47,093,426	99	1	Jan. 1	July 1	15.94	12.71	10.42	....	39.07	100	39.07	68	26.96
180. Newport News, Va.	48,800	28,697,851	82	18	Jan. 1	Dec. 1	18.65	12.85	....	....	31.50	100	31.50	50	15.75
181. Greensboro, N. C.	48,700	100,000,000	65	35	June 1 '26	Sept. 1, '26	8.40	3.00	9.80	....	21.20	100	21.20	75	15.90
182. Stockton, Calif.	48,500	64,492,735	87	13	Jan. 1, '26	Feb. 15, '27	17.00	21.00	19.70	....	57.70	100	57.70	40	23.08
183. Chelsea, Mass.	48,200	54,799,600	86	14	Jan. 1	Apr. 1	25.73	9.60	....	3.07	38.40	100	38.40	100	38.40
185. Pittsfield, Mass.	48,100	57,993,745	85	15	Jan. 1	Oct. 15	14.67	12.45	2.35	2.03	31.50	100	31.50	70	22.05
186. Lima, Ohio	47,700	82,000,000	75	25	Jan. 1	Dec. 20, '26 June 20, '27	10.74	9.07	4.14	.25	24.20	100	24.20	80	19.36
187. Madison, Wis.	47,600	136,872,157	82	18	Jan. 1	Jan. 1	8.97*	8.55*	4.00*	....	21.52*	100	21.52*	90	19.37
188. Lexington, Ky.	47,500	48,906,750	86	14	Jan. 1	June 1 Oct. 1	15.43	8.37	8.00*	....	31.80	100	31.80	80	25.44
193. New Rochelle, N. Y.	45,800	134,200,524	100		Jan. 1	Apr. 10	15.39	8.88	3.54	1.09	28.90	100	28.90	80	23.12
194. Evanston, Ill.	45,100	23,144,183	80	20	Jan. 1	Jan. 1	27.50	98.10	20.50	6.50	152.60	50	76.30	50	38.15

COMPARATIVE TAX RATES FOR 249 CITIES OVER 30,000 FOR 1927—*Continued*

195. Columbus, Ga.	45,000	42,615,196	72	28	Jan. 1	Aug. 1	12.00	6.00	8.00	5.00	31.00	100	31.00	57	17.67
196. Waco, Texas	44,800	58,065,290	75	25	Oct. 1, '26	Oct. 1, '26	16.80	6.50	6.10	6.50	35.90	100	35.90	60	21.54
198. Jamestown, N. Y.[26]	44,300	62,342,814	100		Jan. 1	May 27	11.05	12.09	8.76	....	31.90	100	31.90	60	19.14
199. Muskegon, Mich.	44,300	61,956,431	73	27	Jan. 1	Dec. 1, '26	13.12	12.08	7.66	2.24	35.82	100	35.82	96	34.39
200. Fitchburg, Mass.	44,200	62,431,225	76	24	Dec. 1	Apr. 1	18.50	8.95	1.46	1.89	30.80	100	30.80	100	30.80
201. San Jose, Calif.	44,200	42,182,145	85	15	Dec. 1	Nov. April	16.60	26.56	9.24	....	52.40	100	52.40	60	31.44
203. Durham, N. C.[29]	43,900	80,000,000	58	42	Jan. 1	Oct. 1	11.02	8.50	2.96	....	22.48	100	22.48	60	13.49
204. Pueblo, Colo.	43,900	37,170,300	76	24	Jan. 1, '26	Jan. '26 July '26	26.50	14.50	9.75	3.67	54.42	100	54.42	90	48.98
205. Battle Creek, Mich.	43,500	63,700,000	75	25	July 1	July 10	10.00	14.30	4.81	3.15	32.26	100	32.26	75	24.19
206. Chicopee, Mass.	43,200	50,821,860	82	18	Dec. 1	Oct. 15	18.27	7.15	1.83	2.25	29.50	100	29.50	80	23.60
208. Lorain, Ohio	43,100	87,184,425	75	25	Jan. 1	Dec. 20 June 20	8.02	8.77	2.56	.25	19.60	100	19.60	80	15.68
210. Salem, Mass.	42,900	56,087,900	81	19	Jan. 1	Sept. 1	19.83	8.79	1.68	1.70	32.00	100	32.00	100	32.00
211. Hamilton, Ohio	42,800	105,112,340	81	19	Jan. 1	June 20 Dec. 20	9.43	5.93	2.55	.25	18.16	100	18.16	100	18.16
213. Phoenix, Ariz.	42,100	52,495,285	70	30	July 1	Oct. 10	13.00	10.50	14.30	6.70	44.50	60	26.70	50	13.35
216. Dubuque, Ia.	41,600	46,320,448	75	25	Apr. 1	Jan. 1	13.69	12.91	8.90	2.50	38.00	100	38.00	100	38.00
218. Rock Island, Ill.	41,000	11 876,471	73	27	Apr. 1	Mar. 1	25.40	40.00	11.20	6.50	83.10	50	41.55	50	20.78
223. Superior, Wis.	39,671	48,739,451	81	19	Jan. 1	Dec. 15	8.36	13.47	10.98	.49	33.30	100	33.30	69	23.01
224. East Cleveland, Ohio	39,400	93,800,000	86	14	Jan. 1	Dec. 1 June 1	6.17	12.72	3.66	.25	22.80	100	22.80	70	15.96
225. Quincy, Ill.	39,131	130,038,700	88	12	Jan. 1	Oct. 1	17.96	6.52	1.63	1.00	27.20	100	27.20	100	27.20
226. New Brunswick, N. J.	38,900	41,000,000	85	15	Jan. 1	June 1 Dec. 1	18.10	15.60	9.40	1.90	45.00	100	45.00	80	36.00
227. Lynchburg, Va.	38,493	43,000,000	93	7	Feb. 1	Sept. 15	13.50	10.00	....	....	23.50	100	23.50	60	14.10
228. Austin, Texas	38,200	40,045,516	80	20	Jan. 1, '26	Jan. 1, '26	16.00	6.00	8.50	6.70	37.20	100	37.20	67	24.92
229. Kokomo, Ind.	38,000	41,120,605	62	38	Jan. 1	May 1 Nov. 1	9.00	8.80	5.30	2.30	25.40	100	25.40	100	25.40
230. Wilmington, N. C.	37,700	43,879,458	87	13	June 1, '26	Oct. 1, '26	11.00	7.00	6.00	....	24.00	100	24.00	85	20.40
232. Ogden, Utah	37,600	40,046,381	77	23	Jan. 1, '26	Sept. 1, '26	11.00	16.50	5.59	3.81	36.90	100	36.90	75	27.68
233. Easton, Pa.	37,400	39,390,166	100		Jan. 1	July 1	13.50	17.00	5.00	....	35.50	100	35.50	50	17.75
234. Waterloo, Ia.	36,900	36,705,487	85	15	Apr. 1	Jan. 1 June 1	17.81	23.64	6.23	2.17	49.85	100	49.85	40	19.94
235. Hazelton, Pa.	36,800	28,577,741	93	7	Jan. 3	Apr. 1	13.00	22.00	10.40	....	45.40	100	45.40	40	18.16
236. Meriden, Conn.	36,600	48,931,005	85	15	Jan. 1	May 4 Nov. 4	15.22	10.95	.27	.56	27.00	100	27.00	65	17.55
237. Petersburg, Va.	36,400	29,399,870	89	11	July 1	July 1	19.37	5.63	....	....	25.00	100	25.00	71	17.75
238. Clifton, N. J.	36,200	42,513,641	85	15	Jan. 1	June 1 Dec. 1	10.85	15.55	4.24	4.56	35.20	100	35.20	100	35.20
239. Warren, Ohio	36,100	74,518,780	90	10	Jan. 1	Dec. 20	7.11	7.60	3.39	2.90	21.00	100	21.00	80	16.80
240. Colorado Springs, Colo.	36,000	41,024,890	83	17	Jan. 1	Jan. 1 July 1	14.20	16.50	8.09	3.67	42.46	100	42.46	80	33.97
241. Orange, N. J.	35,800	41,714,550	88	12	Jan. 1	June 1 Dec. 1	20.87	11.77	5.03	4.53	42.20	100	42.20	80	33.76
242. Poughkeepsie, N. Y.[26]	35,800	46,068,330	100		Jan. 1	Feb. 15	19.19	8.40	8.69	....	36.28	100	36.28	80	29.02
243. Waltham, Mass.[27]	35,700	52,684,000	80	20	Jan. 31	Nov. 1	27.96	....	1.38	1.66	31.00	100	31.00	100	31.00
244. Auburn, N. Y.[26]	35,677	52,072,981	100		July 1	July 1	9.41	4.25	7.01	....	20.67	100	20.67	98	20.26
245. Cranston, R. I.	35,600	65,646,665	79	21	Oct. 1, '26	Oct. 13, '26	11.00	9.27	....	1.23	21.50	100	21.50	65	13.98
246. Amsterdam, N. Y.[26]	35,600	30,927,988	100		Jan. 1	Aug. 1	15.43	21.18	11.49	....	48.10	100	48.10	60	28.86
247. Lewiston, Me.	35,500	34,293,758	83	17	Mar. 1	Aug. 18	17.98	5.27	1.55	6.20	31.00	100	31.00	67	20.77
250. Irvington, N. J.	34,600	63,939,957	88	12	Jan. 1	June 1 Dec. 1	13.73	11.88	7.61	1.58	34.80	100	34.80	100	34.80
252. Moline, Ill.	34,500	12,124,322	70	30	Apr. 1, '25	Mar. 1, '26	28.40	40.00	11.90	6.50	86.80	50	43.40	50	21.70

	Census July 1, 1926	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city taxes	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate
			Realty	Personalty			City	School	County	State	Total				
253. Cumberland, Md.	34,400	47,215,683	70	30	Apr. 1	June 1	10.00	8.22	6.58	2.74	27.54	100	27.54	70	19.28
254. Revere, Mass.	34,300	40,409,150	91	9	Jan. 1	Oct. 1	23.25	12.78	....	3.77	39.80	100	39.80	85	33.83
255. Elgin, Ill.	34,000	14,450,503	65	35	Jan. 1	Mar. 1	34.40	33.30	9.20	6.50	83.40	50	41.70	50	20.85
256. Sheboygan, Wis.	34,000	45,516,650	78	22	Jan. 1	Jan. 1	15.48	11.10	7.18	....	33.76	100	33.76	70	23.63
257. Montclair, N. J.[26]	33,700	97,772,065	90	10	Jan. 1	June 1 Dec. 1	13.45	9.45	9.70	....	32.60	100	32.60	100	32.60
258. Marion, Ohio	33,400	50,230,260	60	40	Jan. 1	June 20 Dec. 20	9.83	9.09	4.72	.25	23.89	100	23.89	85	20.30
260. Watertown, N. Y.	33,100	45,163,197	100		July 1	July 1	14.90	9.60	7.26	1.24	33.00	100	33.00	80	26.40
261. Port Arthur, Texas	33,000	29,838,550	74	26	Apr. 1	Oct. 1	18.40	5.00	8.40	4.80	36.60	100	36.60	70	25.62
262. Steubenville, Ohio	32,600	77,500,000	66	34	Jan. 1	June 20 Dec. 20	5.14	8.75	4.95	.25	19.09	100	19.09	85	16.23
264. Plainfield, N. J.	32,500	54,165,947	86	14	Jan. 1	June 1 Dec. 1	17.80	11.00	4.70	4.60	38.10	100	38.10	60	22.86
265. Muskogee, Okla.	32,500	29,999,656	82	18	July 1, '26	Nov. 1 June 1	14.86	14.56	9.69	.50	39.61	100	39.61	60	23.77
266. Alameda, Calif.	32,400	28,393,575	88	12	July 1	Oct. 17	17.08	18.82	20.90	....	56.80	100	56.80	56	31.81
267. Kearny, N. J.	32,100	76,542,530	72	28	Jan. 1	June 1 Dec. 1	11.22	10.43	7.48	4.76	33.89	100	33.89	100	33.89
269. Asheville, N. C.	32,000	102,000,000	90	10	Sept. 1	Sept. 1	12.60	3.60	11.50	....	27.70	100	27.70	60	16.62
270. Hagerstown, Md.	32,000	37,622,840	75	25	June 1	June 15	11.40	7.40	5.70	2.74	27.24	100	27.24	100	27.24
272. Sioux Falls, S. D.	31,200	41,249,819	75	25	Jan. 1	Apr. 30 Oct. 31	14.95	16.31	4.55	2.66	38.47	100	38.47	70	26.93
273. Rome, N. Y.	31,100	23,156,922	100		Jan. 1	Jan. 1 July 1	10.85	13.76	5.53	1.22	31.36	100	31.36	80	25.09
277. Great Falls, Mont.	30,900	47,293,784	75	25	July 1	Nov. 30, '26 May 31, '27	23.75	20.52	15.00	4.33	63.60	100	63.60	28	18.21
280. Bloomington, Ill.	30,700	14,607,869	76	24	May 1	Feb. 1	34.50	27.50	6.50	6.50	75.00	50	37.50	70	26.25
281. Newark, Ohio	30,461	47,490,040	65	35	Jan. 1	May Dec.	6.44	8.96	4.25	.25	19.90	100	19.90	85	16.92
282. Zanesville, Ohio	30,442	55,594,780	76	24	Jan. 1	Dec. 1 June 1	5.70	8.95	5.10	.25	20.00	100	20.00	80	16.00
284. Newburgh, N. Y.[26]	30,400	38,920,920	100		Jan. 1	Jan. 1–Mar. 1 Sept. 1	11.30	8.70	9.99	....	29.99	100	29.99	80	23.99
Canadian Cities															
1. Montreal, Que.[30]	942,875	841,982,714	100		Jan. 1	May 1 Oct. 1	13.95	9.36	....	....	23.31	100	23.31	75	17.48
2. Toronto, Ont.[31]	556,691	908,786,236	100		Jan. 1	May 4–July 4 Sept. 6	22.05	9.75	....	....	31.80	100	31.80	75	23.35
3. Winnipeg, Man.[32]	198,932	229,748,400	100		Jan. 1	June 15	14.81	13.42	....	1.77	30.00	100	30.00	80	24.00
4. Vancouver, B. C.[33]	137,197	226,969,526	100		Jan. 1	Aug. 3	19.38	9.12	....	....	28.50	100	28.50	79	22.52
5. Quebec, Que.[34]	124,341	100,883,259	100		May 1	Nov. 1	21.10	9.50	....	....	30.60	100	30.60	80	24.48

COMPARATIVE TAX RATES FOR 249 CITIES OVER 30,000 FOR 1927—*Continued*

6. Hamilton, Ont.	122,495	153,475,620	100		Jan. 1	June 1 Sept. 1	20.71	12.29	....	....	33.00	100	33.00	100	33.00
7. Ottawa, Ont.	118,697	141,594,797	100		Jan. 1	June 18 Nov. 18	20.55	11.15	....	....	31.70	100	31.70	67	21.24
8. Calgary, Alb.[35]	65,513	53,852,084	100		Jan. 1	June–Aug. Oct.–Sept.	23.41	23.34	....	....	46.75	100	46.75	80*	37.40
9. Edmonton, Alb.[36]	65,163	59,183,865	100		Jan. 1	May15–July2 Oct. 2–Dec. 2	24.00	22.00	....	....	46.00	100	46.00	80*	36.80
10. London, Ont.	64,274	73,523,896	100		Jan. 1	June 15–Aug. 15 & Oct. 15	21.12	13.68	....	....	34.80	100	34.80	80	27.84
11. Windsor, Ont.	61,095	71,288,625	100		Jan. 1	June 15 Oct. 15	17.15	16.50	.35	....	34.00	100	34.00	60	20.40
12. Halifax, N. S.[37]	57,564	54,439,590	100		May 1	May 1	22.90	10.10	.90	....	33.90	100	33.90	80*	27.12
13. St. John, N. B.	55,000	51,171,750	100		Jan. 1	Aug. 4	13.36	11.50	7.14	....	32.00	100	32.00	90*	28.80
15. So. Vancouver, B. C.[38]	40,000	23,642,534	100		Jan. 1	June 30	24.01	25.99	....	....	50.00	100	50.00	75	37.50
16. Victoria, B. C.[39]	40,000	54,153,634	100		Jan. 1	Aug. 15	25.70	12.30	....	....	38.00	100	38.00	67	25.46
17. Regina, Sask.[40]	37,329	39,080,181	100		Jan. 1	June 30 Dec. 31	20.48	16.90	....	1.62	39.00	100	39.00	67	26.13
19. Saskatoon, Sask.[41]	31,234	28,242,379	100		Jan. 1	July 31	17.60	23.69	....	1.71	43.00	100	43.00	88	37.84

* Estimated.

[1] *New York City.* The assessed valuation is exclusive of $916,512,915 of dwellings exempted from local taxation until 1932 but assessed for state tax. The official computation gives a single rate for city, school and county purposes; the county rate is computed as the ratio of the total budget appropriation for counties to total assessed valuation; the rates for city and school are in proportion to appropriations. In addition to the rate given, levies are made on the several boroughs and city at large for local improvements, ranging from 30 cents to 70 cents. The estimated ratio of assessed to true value is based upon sales data.

[2] *Chicago.* The rates given are determined from the 1926 valuation and 1926 tax levies. The 1927 rates will not be available before the 1926–27 valuations are determined, after January 1, 1928. The city rate includes sanitary district and South Park District rate, the rate given being for the South Park District (central business section and greater part of south side). Rates in other parts of the city are slightly higher because of variations in the park rate.

[3] *Philadelphia.* The city rate includes the cost of county government, which is consolidated with the city. The rates given are on city realty, comprising 95 per cent of all realty; suburban realty (4½ per cent of all realty) is taxed as two-thirds, and farm realty (½ per cent) at one half the rate on city realty—except that property in independent poor districts (having local poor taxes) is further relieved of such poor taxes. Money at interest and vehicles to hire, comprising the personalty valuation, are taxed at 4 mills. There is no state tax in Pennsylvania on property subject to local taxation.

[4] *Los Angeles.* The population is a local estimate. The city rate includes flood control, $1.10. There is no state tax on real estate in California.

[5] *Cleveland.* The school rate, for all Ohio cities, includes a state rate for schools of $2.65, which is collected by the county and distributed to the school districts.

[6] *Baltimore.* There is no county rate. There are several rates applied to different bases of valuation (see 1926 tabulation for details, December 1926 REVIEW). Personal property of manufacturers is exempt from taxation.

[7] *Pittsburgh, Scranton.* The city rate upon improvements is one-half the rate upon land, the rate shown being the weighted average of the two rates. Machinery is exempt from taxation.

[8] *San Francisco.* The city rate includes the county, which is consolidated with the city. The assessed valuation reported does not include "operative property" taxed by the state only.

[9] *Newark.* The state rate includes a $2.53 school tax, which is returned to local schools.

[10] *Minneapolis, St. Paul, Duluth.* The Minnesota statutes provide for five classes of property, assessed at varying bases of true value—real estate (except unplatted) is assessed at 40 per cent; iron ore at 50 per cent; personalty, in three classes, is assessed at 10 per cent, 25 per cent, and 33⅓ per cent, respectively. The average of all is 38 per cent of true value. Money and credits (not included in the valuation reported) are taxed at 3 mills on the dollar. The total rate in Minneapolis varies slightly in various wards due to varying rates for street maintenance.

[11] *Seattle.* The city rate includes $1.15 port rate.

[12] *Kansas City.* The valuation given is for city tax purposes; the valuation used for school, county and state purposes is approximately $535,000,000. The rates shown are adjusted to the city valuation basis. In addition, a $2.50 park and boulevard maintenance tax on land only is levied, equivalent to $1.04 on all property.

[13] *Louisville.* In addition to the valuation given, $22,500,000 of bank, trust and life insurance companies stock is taxed $2 per $1,000 for city and $4 for schools.

[14] *Portland.* The county rate includes $2.12 for county school fund, which is returned to the school district; and the state rate includes $2.20 for elementary school fund, which is returned to the school district.

[15] *Providence, Pawtucket.* There is no county government in Rhode Island. In addition to the rates given, $4 per $1,000 is levied on intangible personalty.

[16] *Oakland.* The city rate includes $2.30 water utility district rate. School taxes are levied by both the city and county on city property, the rate shown being the total of these levies.

[17] *Atlanta.* The school rate is estimated; schools receive 26 per cent of total city revenues.

[18] *Richmond.* The cities of Virginia are autonomous, having no county government. The assessed valuation includes $2,752,000 machinery, which is taxed at $1 per $1,000. There is no state tax on property in Virginia

[19] *New Haven.* The school rate includes $1.50 special tax for sites and buildings.

[20] *Dayton.* The city includes $2.01, and county rate, $.27, flood prevention rate.

[21] *Hartford.* In addition to the rate reported, the city raises, through levy and collection by the state treasurer, a 10 mill tax upon a portion, and a 6 mill tax upon the balance, of a corporation stock valuation of $228,951,863, which is the taxable valuation of the stock of certain corporations held by residents.

[22] *Des Moines.* Moneys and credits, assessed at $31,961,000, not included in the valuation reported, are taxed at 5 mills.

[23] *Miami*. Rates of $24 per $1,000 for school, $46 for county, and $7.50 for state, levied upon a separate valuation estimated at $70,000,000, are readjusted to the city valuation reported.

[24] *Wilmington*. The valuation shown includes $2,416,275 public service corporation property which is taxed at $47.50 per $1,000 for city and school purposes in the city only. The state tax is for schools.

[25] *Cambridge*. The city rate includes $1.64 metropolitan sewer and park rate.

[26] *Albany, Yonkers, Utica, Highland Park, Binghamton, Chattanooga, Winston-Salem, New Britain, Niagara Falls, Elmira, Jamestown, Poughkeepsie, Auburn, Amsterdam, Montclair, Newburgh*. The county rate includes state rate, the separation not being reported.

[27] *Lowell, El Paso, Waltham*. The city rate includes schools, the separation not being reported.

[28] *Tacoma*. The city rate includes $1.40 port and $2 park rates.

[29] *Durham*. There is no state rate on property in North Carolina.

[30] *Montreal*. The school rate is the average of the Protestant, Catholic, and Neutral rates.

[31] *Toronto*. The assessed valuation for school taxes is $908,786,236; dwellings up to $4,000 valuation are allowed a certain exemption from general taxation but not from school taxation. Realty valuation includes 8.2 per cent income and 10.2 per cent business.

[32] *Winnipeg*. Land is assessed at 100 per cent; improvements at 66⅔ per cent.

[33] *Vancouver*. Land is assessed at 100 per cent; improvements at 50 per cent. The actual tax levy is $31.67, but was reported $28.50 because 92 per cent was paid before the expiration of a 10 per cent discount period.

[34] *Quebec*. The city rates include $5 for water paid by $43,420,760 valuation which is exempt from general taxation, and 60 cents for local improvements.

[35] *Calgary*. In addition to rate shown, there is a $2 levy on land only for provincial purposes.

[36] *Edmonton*. Land is assessed at 100 per cent; improvements are assessed at 60 per cent.

[37] *Halifax*. Realty valuation includes 18.5 per cent business and household.

[38] *South Vancouver*. Land, valued at $11,536,220, is assessed at 100 per cent; improvements, at 50 per cent.

[39] *Victoria*. Land, valued at $25,766,604, is assessed at 100 per cent; improvements, at 50 per cent.

[40] *Regina*. Realty valuation includes 14 per cent business and income. Land is assessed at 100 per cent, and improvements at 30 per cent. The separate school tax rate is $6.60 higher than the public school rate given.

[41] *Saskatoon*. Realty valuation includes 3 per cent business and income. Land is assessed at 100 per cent, improvements, at 45 per cent.

[42] *Washington*. Appropriations for the District of Columbia are made by congress, a lump sum of $9,000,000 thereof being paid by the federal treasury. In addition to the valuation reported, intangible personalty $450,000,000, is taxed at one-half of one per cent. Banks, trust companies and public service corporations are taxed at various rates on earnings or receipts. There is a single rate for all purposes, the school rate being estimated.

RECENT BOOKS REVIEWED

The City Manager. By Leonard D. White, Ph.D. Chicago: University of Chicago Press, 1927. Pp. 355.

This important volume marks the coming of age of the city manager movement—the point where the movement is so solidly established, the managers so numerous, the evidence and experience so abundant that a candid and competent political scientist can spend a busy year learning about it and produce a well-packed study of its tendencies and characteristics with confidence that the mix has set in its final form.

The book starts briskly with a series of chapters each devoted to the more important managers—Hopkins of Cleveland, Sherrill of Cincinnati, McElroy of Kansas City, Koiner of Pasadena, the three managers of Dayton and Ashburner, Truxton, Edy and Carr. The characterizations are keen and vivid, frank enough to make the subjects squirm and, so far as my observation reaches, photographically accurate. I only regret the space given to McElroy of Kansas City who, as the author obscurely concedes later, is the solitary, and we hope, temporary instance of a manager who takes his orders from political headquarters. It would take close combing, I think, to find even one other case, or two, to make a group so that this could fairly be considered as a variation of the species rather than an alien exception.

The next chapters count up the statistics of this group of administrators—their number, ages, previous occupations, average tenures, local or out-of-town origin and then under various chapter headings, their typical experiences in their jobs, their virtues and shortcomings and their contribution to the modern American scene, admirably illuminated with illustrative instances in profusion.

Dr. White finds that the typical manager is an engineer, happiest when dealing with public works, weak in oratory, imaginative, desperately hard-working, conscientious, a close buyer, holding a managership for less than three years on the average, cold to theory and to new formulas such as those relating to personnel administration. The author detects a tendency of cities to choose a local man after the first out-of-town manager has moved on and sounds a note of alarm lest this process gradually narrows the new profession and takes us back to the old ways which made professional careers impossible in this field. I am not much afraid of such a reversion—the readiness with which out-of-town men are brought in as school superintendents shows that the resistance to outside experts is mainly froth. We will have no trouble at all, with this start, if city managing will only hurry up and become mysteriously technical so that Tom, Dick and Harry will cease to think of it as something they can do.

Dr. White divides the managers roughly into two classes—the real professionals who have moved or will move upward from city to city, and the home-bodies who take the managership in their own city as an incident in a local office-holding career. He finds another line of cleavage in the matter of leadership, some managers exerting leadership, campaigning for bond issues, telling the council what to do; others suppressing their own opinions, hiding from the limelight and making as few recommendations as possible except when asked. He fails to see that the flexibility of the universal joint between council and manager is a salient practical merit of the plan, giving a desirable play to diverse personal factors and purposely undefined in the texts of the charters. The relations and mutual legal rights of a mayor and council under the old plans of municipal government must be elaborately drawn in the basic law. Nevertheless, they work so otherwise than intended that councils sometimes appoint and mayors confirm. But the city manager plan works with either a dominant council or a dynamic manager or either or both, and the city gets the benefit of purpose and vision and initiative wherever it crops up, without legal subterfuge or indeed any legal tangles whatever. There is no reason to be disappointed because it works differently in every city.

"The failure of the city council," the author comments, "is one of the most startling weaknesses of the council manager plan." In this I agree; I am disappointed that the establishment of conditions of work that make service in the council feasible and important for any public-spirited citizen should fail to bring forward superior talent and leave the council of Cleveland, for instance, to be named by partisan hacks.

Dr. White, after handling the managers without gloves, ends up by paying them some discriminating and well-earned tributes which come with all the greater force and conviction under the circumstances. This is his final paragraph:

> Finally the managers have made a remarkable record of devotion to the larger interests of the city, even at considerable cost to themselves. They have sincerely tried to see the city as a whole and to eliminate any suspicion of favored treatment for any part. They have conceived the city not merely as an organism of the present but as a creation of the future. In planning streets and sewers and water mains, they have refused to make a record of present economy by installing equipment inadequate for probable future needs. They have been wholly unwilling to deceive the voters about the real condition of public affairs and have frankly given the facts to the public. They have dealt openly even with their critics. They have sought support for the larger interests of the city on the basis of the plain truth and have been content to let their record speak for itself without unnecessary advertising on their own part. They have been refreshingly free from the arts and wiles of the traditional American executive, and by their unflinching devotion to their job have furnished the American cities with a new and finer conception of official duty.

Good enough, Dr. White! The whole book is an incisive and well-informed verdict, better than propaganda, and the further it is broadcasted, the better for the city managers and the spread of the plan.

Richard S. Childs.

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Community Health Organization. American Health Congress Series, Vol. II, Part IV. Ira V. Hiscock, Editor. American Public Health Association, 1927. Pp. 122.

The value of this little volume lies in the fact that it contains for a mayor or similar municipal official or for a local health officer the latest accepted standards for a well-rounded community health program, a running commentary to accompany that yardstick of health service, the Appraisal Form of the American Public Health Association. It summarizes the results of a day's study of community health administration which formed a part of the American Health Congress held in Atlantic City in May, 1926. At that Congress leaders of national reputation gathered to confer on their problems and experiences in public health administration.

The volume was prepared by Professor Ira V. Hiscock of the department of public health of the Yale Medical School with the assistance of a number of other authorities, and it will serve as a useful guide for those interested in or responsible for sound scientific and practical development of health programs in cities or smaller communities. Three separate plans are offered: for cities of 100,000 and 50,000 population, and for a county or rural district of 30,000. Standardization is the hue and cry of today in health as elsewhere. Nevertheless, with most communities far from a satisfactory goal in health protection and financing, many improvements of value can be studied in the text. The authors point out that "the plans should not be considered as schemes for immediate adoption as a whole, but for gradual adaptation to existing programs . . ." until no essential health activity in any given community is left inadequate. That the standards suggested in this volume are not impractical is for the most part certain, for the majority of them are already in practice in one or more of the communities studied.

At the present, when organized community hygiene is on the threshold of the new era of intensive effort as contrasted with the former part-time emergency type of service, the emphasis is most timely on the need for well-qualified full-time "career-men" as health officers, with tenure of office free from political bias, with adequate financial and legislative support and backed by an intelligent public opinion. The part-time school principal or school superintendent is a thing of the past. It is surely time for communities of more than 50,000 population to secure the services of full-time health officers, free from the distractions of a medical practice as well as from the menace of unjust political interference. Cities of less than 50,000 might well join in a full-time county health unit.

In all three plans suggested the health department, with board of health and sanitary code are essentially similar. The following activities are taken up in considerable detail: administration, including health education and vital statistics; communicable disease control, including epidemiology, tuberculosis and venereal diseases; prenatal and child hygiene; public health nursing; sanitation; food and milk control and laboratory facilities. The sections dealing with budget and personnel are very carefully worked out and their applicability naturally depends on which activities are financed officially and which are supported wholly or in part by voluntary agencies.

It is gratifying to see that the volume includes a plan for the organization of rural or county health work, as such areas include a large proportion of the total population. Too often essential modifications are overlooked when an urban health program is transplanted into a rural area. More study and experience will be needed before a definite course of procedure can be charted for rural health organization, but the authors give an excellent basic program as a point of departure.

Perhaps the greatest good that may come from this volume, aside from technical suggestions to health administrators, is the realization of the fields of interrelation and mutual helpfulness among community officials, public and private health agencies and the medical and nursing professions. Surely the manifold health problems of any community will offer more than enough work and opportunity for service for all those groups interested in the common weal.

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THE LEGAL STATUS AND FUNCTIONS OF THE GENERAL ACCOUNTING OFFICE OF THE NATIONAL GOVERNMENT. By W. F. Willoughby. (Institute for Government Research Studies in Administration.) Baltimore: Johns Hopkins Press, 1927. Pp. xi, 193.

As the title indicates, this book deals almost wholly with the legal status of the general accounting office of the federal government rather than with the practices thus far developed. This office was established by the budget and accounting act of 1921. It was placed under the direction of the comptroller general, appointed by the president for a term of fifteen years and removable only by congress. The purpose of congress in creating the general accounting office was to strengthen congressional control over the administration in regard to the collection and disbursement of funds. In this respect the office is similar to that of the comptroller and auditor general of Great Britain created in 1866 as a direct agent of parliament.

The creation of the general accounting office, diverging as it does from the traditional American lines, has given rise to a number of serious questions. As Mr. Willoughby points out, this office involves such problems as "the separation of powers, the distinction between executive and administrative functions, the extent to which final powers of control over administrative action should, or constitutionally can, be vested in a legislative agency, the authority whose rulings in respect to the construction of important features of public law should be followed by the administrative services, whether that authority should be the attorney general or the comptroller general, and the power of the courts to review administrative determinations." These are the problems that the author attempts to throw some light upon in his discussion of the general accounting office.

The book contains a rather complete discussion of the functions of the general accounting office as defined in the law and interpreted by court opinions and administrative rulings. These functions relate principally to the control of treasury receipts and issues, the settlement and adjustment of claims against the government, the settlement and adjustment of claims due the government, enforcement of collection of claims due the government, control over contracting, and general accounting and reporting. None of the functions has been properly developed up to the present time; in fact, some of them have not yet been clearly defined. The upshot of this is that while the general accounting office has been in existence for six years, its jurisdiction has not yet been marked out in practice; furthermore, its relation to the other agencies of government still remains undetermined. This situation has brought about severe criticism of the work of the office by several administrative officers and agencies and, in some cases, has even led to court action.

Mr. Willoughby suggests several steps which he thinks should be taken to put the general accounting office on a satisfactory basis. He wants administrative officers to recognize this office as a special agency of the national government, since he feels that it should become one of our most important institutions. He proposes, so far as possible, to centralize all general and controlling accounts of the government in this office and then to work out and install a modern system of accounts. He suggests that the powers of the comptroller general in respect to construing general statutes and settling claims be more carefully defined by congress, perhaps considerably extended in the matter of settling claims against and due the government. This would involve a codification of the laws relating to government accounting and reporting. Finally, he recommends the creation of a congressional committee on public accounts to take the place of the present committees on public expenditures and to have jurisdiction over all matters relating to the general accounting office.

A. E. BUCK.

Planning for City Traffic. September, 1927, number of *The Annals of the American Academy of Political and Social Science,* Philadelphia, Pa. Edited by Austin F. Macdonald.

A remarkably good symposium on the traffic situation is presented by the American Academy of Political and Social Science in the September *Annals.* Thirty authors who are well-known in city planning and traffic work and in close contact with it contributed to the volume.

The articles have been grouped under five headings. In the first group, planning for increased traffic facilities is discussed; the second group covers traffic control, including laws for regulating traffic; and the third deals with accident prevention. The fourth group considers rail transportation, the motor truck, and the pedestrian in relation to the modern city plan. Part five treats of such general aspects as regional planning, zoning and decentralization.

The thirty articles display strikingly the number and complexities of the elements involved in a solution of municipal traffic difficulties. A glance at the subjects covered shows this. They comprise coördination of traffic facilities, routing of through traffic, planning of streets, street lighting, tunnels, bridges, railroad crossings, and playgrounds, regulation of the capacity of buildings, control of traffic both wheel and foot, accident prevention, adoption of uniform traffic laws, regulation of parking, provision of adequate garage capacities, zoning, and regional planning. The traffic problem is not simple.

Perhaps all of this complexity would create, in the ordinary citizen, a feeling of confusion and helplessness were it not for a few significant truths which the symposium discloses. One of the chief of these is the absolute necessity for accurate facts as the basis of any work to better traffic conditions. The substitution of facts for guesswork is emphasized again and again by the authors. Furthermore, it is shown that the problem cannot be solved once and forever, but that conditions change and the studies and planning must be continuous. The advantage of having skilled persons make the studies and formulate from them a comprehensive plan is not emphasized so strongly, but it is mentioned more than once.

In general, the symposium gives an excellent picture of the traffic problem, its intricacies and influences, and should indicate to the interested reader the best approach to a solution.

C. A. Howland.

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Standards Yearbook, 1927. Compiled by Bureau of Standards, U. S. Department of Commerce. Pp. 392.

Directory of Commercial Testing and College Research Laboratories. Compiled by Bureau of Standards, U. S. Department of Commerce, 1927. Pp. 39.

In these two publications, the bureau of standards has made available to government officials a fund of valuable information on the means for adoption and enforcement of commodity standards. The "Standards Yearbook" brings together for the first time a list and discussion of the methods followed by the international, national, state and municipal standardizing agencies. The fundamental and working standards of the United States in volume, density, electricity, etc., are comprehensively discussed. The volume closes with a discussion of the so-called "certification plan" now being worked out by the bureau of standards. The bureau is compiling lists of manufacturers who certify their products to conform to the quality and performance standard established by the federal specifications. Such lists enable the purchaser for state or city to use the federal specifications with confidence in the source of supply.

"The Directory of Commercial Testing and College Research Laboratories" lists by state and city the commercial and college laboratories which are equipped and are willing to make for governments chemical and physical tests of commodity samples, free of charge or for a nominal fee. This enables the government buyer to determine, scientifically and inexpensively, whether he is receiving the quality specified on his order. It is an invaluable aid to the enforcement of specifications.

These volumes may be secured from the Superintendent of Documents, Government Printing Office, Washington, D. C.

Russell Forbes.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, Georgetown University

Contracts—City May Not Bargain Away Its Governmental Powers.—The principle that a municipality may not bind itself by contract to exercise or to refrain from exercising its governmental powers is elementary and supposedly within the knowledge of all municipal officers, but in practice is often overlooked and violated. Recently, the appellate division, fourth department of New York, set aside an agreement between the city of Buffalo and the town of Cheektowaga, relating to the building and operation of a garbage plant by the city within the confines of the town (*Schwab* v. *Graves*, 223 N. Y. Supp. 160). The city in consideration of the consent of the town to permit the location and operation of the garbage plant within its limits agreed to cancel a large indebtedness owing from the town. In setting aside this alleged contract, the court points out that the agreement of the town was only an exercise of its local police power, that it could not limit its further action along the same lines, whatever permit it granted, and therefore its agreement could not be a valid consideration for the city's promise to release the outstanding debt of the town.

A similar ground was invoked by the court of civil appeals of Texas in *Gulf Bitulithic Co.* v. *Nueces County*, 297 S. W. 747. The contract which was declared invalid in the latter case was one by the terms of which the county employed the plaintiff to superintend the construction of roads throughout the county and attempted to surrender its governmental duty of supervision. Not only did the plaintiff fail to sustain its action for breach of the contract of employment, but the county was permitted to recover in a cross-action for money paid out by it to the plaintiff company.

◆

Police Power—Exclusive Contract for Removal of Garbage.—In *Harper* v. *Richardson*, 297 S. W. 141, recently before the Kansas City court of appeals, the plaintiff who had been awarded an exclusive contract for the removal of trash and garbage by the city of St. Joseph sought to enjoin the defendant from making collections from the homes which the plaintiff had refused to serve because the owners had failed to comply with the ordinances requiring separation of the garbage and the payment of fixed fees for the service. The court sustained the validity of the contract, but refused the injunction upon the ground that the plaintiff's sole remedy in enforcing its privilege was by invoking the penalties imposed by the city ordinances.

It is well established that such an exclusive contract is valid exercise of the police power. Not only may the city compel the delivery of garbage to a single contractor but it may require its citizens to pay the fees fixed by the city for such service (*California Reduction Co.* v. *Sanitary Reduction Works*, 199 U. S. 306). The city in employing such an agent is not surrendering, but is effectively exercising its police power. It may not delegate to the agent the fixing of penalties for a failure of citizens to comply with the requirements of the ordinance and an attempt to delegate such powers may be fatal to the contract. The contract in the instant case was not subject to such objections, as the city by ordinance attached the sanction of fine and imprisonment to noncompliance with its requirements. As such remedies were exclusive, the refusal of the plaintiff to serve those citizens who failed to comply was a violation of its duty which barred it from equitable relief.[1]

◆

De Facto Municipal Corporations—Collateral Attack.—It is a fundamental principle uniformly applied that the question of the right of a *de facto* municipal corporation to exercise its franchises can be called in question only by the state itself proceeding by writ of *quo warranto*, and the general rule is that a proceeding in the nature of *quo warranto* upon the relation of a private individual to test the validity of the existence of such a corporation or of an office created by it cannot be sustained. In *Campbell* v. *Champion*, 138 At. 529, the supreme court of New Jersey was asked to vacate a proceeding of the latter nature as violative of the provisions of the Quo Warranto Act of that state which is declaratory of the general rule. The relators claimed that an election held in Ocean City, May, 1927, was a nullity as not in pursuance of statutory authority, and that, therefore, the persons elected and who had assumed the offices to which the relators were entitled were intruders and usurpers.

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[1] See also, *Hog Ranch* v. *Plagman*, 282 Mo., 220 S. W. 15, A. L. R. 266, and note at page 287; *Pantlind* v. *Grand Rapids*, 210 Mich. 18, 177 N. W. 302; *Wheeler* v. *Boston*, 233 Mass. 275, 123 N. E. 684.

In refusing to vacate the proceedings, the court admits the validity of the principle invoked that the existence of the office cannot be tried out in such a proceeding. But the court points out that the facts set forth do not substantiate the contention that the existence of the office is in issue. Before the rule against collateral attack can be applied, there is always the preliminary question whether the corporation or office is in law *de facto*. So, unless those claiming to perform the duties of an office, have entered under color of right and in good faith, their mere occupancy and user will not entitle them to the status of *de facto* officers, and unless the preliminary question is determined in their favor, there is no basis in public policy for protecting their assumed title from attack either by the state or by those whom they have ousted.

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Officers and Employees—Application of State Workman's Compensation Act.—In *Esque* v. *City of Huntington*, 139 S. E. 469, the supreme court of West Virginia for the first time had before it the question of the application of the state workman's compensation act to the employees of the city. The plaintiff sought to secure damages for personal injuries sustained through the negligence of a fellow servant, the city not having been a subscriber to the state fund at the time of the injury and the statute in terms having taken away from non-subscribing employers the benefit of certain common law defenses including the fellow-servant rule. The statute provides that municipal corporations may take advantage of the law in the same manner as other employers subject to the act. The defendant city contended that, as the act did not in terms cover employees engaged in governmental duties and that as the plaintiff at the time of the accident was engaged in repair of the highways, the city had the right to set up the common law defense of the fellow-servant rule.

In refusing to sustain the defendant's claim, the court holds that the act is remedial and should be liberally construed; that in terms it applies to municipal corporations and that no exceptions in their favor can be implied. The purpose of the act is to provide compensation for employees, injured while engaged in any sort of work, governmental or industrial in nature. The court points out that the decisions in Kansas, Nebraska and Oregon, which hold that their compensation acts as applied to municipal corporations are limited to employees engaged in discharging proprietory in contrast to governmental duties, are based upon express provisions of the statutes of those states.

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Overlapping Municipalities—Conflict of Jurisdiction.—The relation of the Port of New Orleans to the City of New Orleans was involved in a case that was recently decided by the supreme court of Louisiana. In *City of New Orleans* v. *Riisse*, 113 So. 879, the defendant was convicted in the recorder's court of the parish of Orleans of a violation of an ordinance enacted by the commissioners of the port, from which he appealed especially upon the ground of lack of jurisdiction. The present constitution of the state provides that the jurisdiction of the recorder's court shall extend to the trial of officers against city ordinances alone. The jurisdiction in the instant case was assumed under a statute of 1915, which by its terms directly gave the recorder's court power to enforce the ordinances of the port. The supreme court in quashing the conviction held that the board of commissioners of the port of New Orleans is a political entity, separate and distinct from the city, with delegated power to pass all needful rules and ordinances for the regulation of the traffic of the harbor and port, a power which is exclusive of the authority of the city. As the jurisdiction of the recorder's court is thus limited, the prosecutions should have been in the district criminal court of the parish.

While there may not be two municipal corporations with conflicting powers over the same territory, the expedient of overlapping municipal organizations, each with powers exclusive of the other, is not uncommon. The separation of local powers for legislation and administrative purposes may in some cases be necessary where statewide interests are involved, but the multiplication of municipal corporations upon the same territory in most instances results in serious questions of the delimitation of their respective spheres of authority and leads to a complexity of organization that discourages the efforts of the citizens toward honest and efficient local government.

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Municipal Ownership—Power of City to Compel Payment of Water Charges by a Lien on the Premises Served.—The extent of the power of a city owning and operating a public utility to compel the owner of the premises to whose tenant or predecessor service is rendered to pay the charges fixed by ordinance recently came before the special court of appeals of Virginia in *Etheredge* v. *City of Norfolk*, 139 S. E. 508. The charter of the city authorized it "to provide an adequate water supply for said city" and "to establish, impose and enforce water rates." In 1920 the city passed an ordinance requiring owners to make water connections with their premises wherever sewer connections were required under heavy penalties, and in 1924 adopted another ordinance which provides that:

> Whenever any bill for service or water shall remain unpaid thirty days after the first of the month in which the same is due, the bureau of water shall cut off water from said premises, and shall not turn the same on again until all delinquent charges therefor have been paid in full.

The city in the instant case sought to recover from the owner of rented property the charges incurred for water by a delinquent tenant, and Etheredge resisted upon the ground that the ordinance so far as it seeks to make the owner personally liable in effect deprives him of his property without due process of law.

In concluding that the imposition was invalid under section 11 of the Constitution of Virginia and the Fourteenth Amendment, the court points out that the decisions uniformly hold that a city owning and operating a public utility is subject to the same limitations as a private corporation so far as its relation to its patrons is concerned. Its regulations, therefore, have the same force as the by-laws of a corporation whose powers are of like character and conferred for the same purpose. The city's implied power in this regard is no more extensive than that of a private company operating a public utility, and such an attempted control over private property is beyond the legitimate scope of the local police power, unless the state by law has declared a general policy by imposing a statutory lien or has expressly delegated such a power to the city.[2]

Zoning—Attitude of Federal Courts.—In *American Woods Products Co.* v. *Minneapolis*, 21 Fed. (2d) 441, the district federal court of Minnesota had before it the question of the validity of a zoning ordinance which in effect prohibited an established manufacturing plant from erecting any additional buildings rendered necessary by the expansion of its business. The vacant lands of the complainant, which it had acquired and used in connection with its operations for upwards of twelve years, were worth for manufacturing purposes upwards of forty thousand dollars, while for the most valuable use under the zoning restrictions less than four thousand dollars. This discrepancy in values was found to be due largely to the presence of railroad spurs which rendered the property very undesirable for residential purposes.

Judge Sanborn, in dismissing the complaint, says that "as a matter of justice and good morals it would seem that a city should pay for damages occasioned by an ordinance of this kind, where no substantial present injury is being done to the public by the existing use, and where the classification prohibiting the use is largely a matter of convenience and not of necessity," but nevertheless feels that he is bound to sustain the act in the particular case upon the authority of *Village of Euclid* v. *Ambler Co.* (272 U. S. 365), especially as the constitutionality of the ordinance in general had been upheld by the supreme court in *Berry* v. *Houghton* (47 S. Ct. 474). The court takes the same point of view as if the general question of the validity of the ordinance were before it, rather than the question of the right of the complainant in the particular case to a use of his property that had been for so long a time recognized as to be protected by the constitutional guaranties. Justice Sutherland in *Euclid* v. *Ambler Company* distinctly stated that the court was passing only upon the "general scope and dominant features" of the ordinance in question, "leaving other provisions to be dealt with as cases arise directly involving them." Such a case was the one before the district court and its refusal to consider it except upon the same basis as where the general question is involved was to say the least unfortunate.

That a tract of land used for a certain purpose may be so impressed with the use that a prohibition of such use may go beyond the limits of the police power is illustrated by the case of *Western Theological Seminary* v. *Evanston*, 156 N. E. 778, recently decided by the supreme court of Illinois. In that case an amendment to the local zoning law in effect excluded the use of the petitioner's lands, upon which college buildings were already erected, from any extension of its facilities by the erection of new buildings. The court therein said:

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[2] Among the leading authorities in accord, the reader may be referred to *Covington* v. *Ratterman*, 128 Ky. 336, 108 S. W. 297; *Turner* v. *Revere Water Co.*, 171 Mass. 329, 50 N. E. 634; *McDowell* v. *Land and Improvement Co.*, 71 N. J. Eq. 109, 63 Atl. 13; *Waldron* v. *International Water Co.*, 95 Vt. 135, 112 Atl. 219.

> The question of the right of the city to exclude from the "A district" schools and colleges in the first instance does not call for decision. They were not excluded until after the appellant, relying upon the terms of the ordinance, invested its funds in acquiring the right which the ordinance expressly permitted to be exercised. The destruction of that right when there is no appreciable danger to the public health, comfort, safety, or welfare to be feared from its exercise, is clearly an arbitrary and unreasonable exercise of power which renders the amending ordinance void as to the appellant's property.

There would seem to be no reason why the principles of the Illinois decision should not have been applied to the American Woods Products case. Vacant lands owned and used in connection with a manufacturing plant may be likewise impressed with use, so that a prohibition of their further use for the necessary extension of the plant may be an unconstitutional deprivation of property rights. The supreme court in *Euclid* v. *Ambler Realty Company* did not pretend to pass upon that question and we may assume, therefore, that if it later comes before them, they will be guided by the principles enunciated in their opinion in *Dobbins* v. *Los Angeles*, 195 U. S. 223, in which they concluded that a similar restriction, after lands had been purchased and improvements made, was an arbitrary and discriminatory exercise of the police power which amounted to a taking of property without due process of law and an impairment of property rights protected by the Fourteenth Amendment to the Federal Constitution.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC.

Required by the Act of Congress of August 24, 1912,

Of NATIONAL MUNICIPAL REVIEW, published monthly at Concord, New Hampshire, for October 1, 1927.

State of New York, County of New York, SS.

Before me, a notary public, in and for the State and county aforesaid, personally appeared H. W. Dodds, who having been duly sworn according to law, deposes and says that he is the editor of the National Municipal Review and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:
   Publisher, National Municipal League, 261 Broadway, New York.
   Editor, H. W. Dodds, 261 Broadway, New York.
   Managing Editor, None.
   Business Managers, None.
2. That the owner is: The National Municipal Review is published by the National Municipal League, a voluntary association, incorporated, 1923. The officers of the National Municipal League are Frank L. Polk, President; Carl H. Pforzheimer, Treasurer; H. W. Dodds, Secretary.
3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.
4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

H. W. DODDS,
Editor.

Sworn to and subscribed before me this 3rd day of November, 1927.
[SEAL]

F. George Barry,
Notary Public.
My commission expires, March 30, 1929.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

A Letter to Public Utility Commissioners

Dear Sirs:

What is to be your policy on valuation for public utility rate-making? Assuming that you agree substantially with the criticisms that have been made in recent years against rate regulation either upon the *undefined* "fair value" or upon the more definite "reproduction cost," are you prepared to consider the desirability of establishing a definite basis of valuation by which regulation may be administered effectively and placed upon a sound financial structure?

At the recent meeting of the National Association of Railroad and Utilities Commissioners, at Dallas, Texas, October 18, 1927, the Hon. William A. Prendergast, chairman of the public service commission of the State of New York, raised the question whether the time has not arrived for the commissions to adopt on their own initiative positive policies and methods of valuation for rate-making which will meet the objections to present procedure. This communication is intended to support Chairman Prendergast and to present some of the fundamental considerations which must be taken into account for the establishment of an affirmative policy. This is a matter in which I have been profoundly interested as an economist and public utility consultant for over ten years. I first proposed such a definite plan in 1915; and since the great rise in price level I have elaborated my studies under the new conditions to meet the requirements of effective and sound rate-making.[1]

AFFIRMATIVE POLICY NEEDED

As to the need of an affirmative valuation policy, there can be hardly any difference of opinion. Within two weeks of this writing, a commissioner of ten years' experience on one of the midwestern commissions remarked to me that with the continuance of the present indefinite methods, or upon the reproduction cost basis, regulation in his state will soon be ended; the commission abolished by the legislature and the function of control turned over to the municipalities. Under present conditions, he pointed out, or under reproduction cost, there is nothing ever settled; there are repeated valuations, constant litigation and all but prohibitive costs. A sound and workable course must be adopted to save regulation as a public function.

While Chairman Prendergast does not follow the extreme critics of regulation as to its hitherto alleged futility, he does recognize the fact that a positive basis of valuation must be established and maintained. For this purpose he agrees that an initial valuation of existing properties is necessary; the results in each case would be taken as the starting point. He would thus distinguish between past investments made prior to the initial valuation, and investments made subsequently. As to the prior investment he would base the valuation upon *reproduction cost* of the properties, less depreciation. This sum would then remain unchanged, except that actual additional investment would be added. He would thus have a definite and non-varying rate base. This would be kept under accounting control, and would not be subject to redetermination at every adjustment of rates. It would be an exact sum, which after the initial valuation would be under constant commission control and would be beyond dispute. It would furnish a scientific measure for increasing or reducing rates. A simple accounting analysis would be sufficient to determine in any case whether an increase is needed or a reduction is warranted. The rights of the investors and the public would be definitely expressed and exactly maintained.

INITIATIVE BY THE COMMISSIONS

My proposal had been that such an affirmative policy should be established by the legislatures. Chairman Prendergast, however, prefers that the initiative shall be taken by the commissions themselves; he is fearful of "politics" on the part of the legislatures. Perhaps the best course would be for the commissions on their own account to adopt the principles which are essential to sound and effective regulation. If this can be done under existing statutory provisions, then no recourse to the legislatures is necessary. Otherwise the program, after being developed, could be presented to the legislatures for adoption, accompanied by a full discussion of the difficulties of existing procedure and the need of the new methods.

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[1] "Effective Regulation of Public Utilities," The Macmillan Company, 1925.

A practical illustration is the interstate commerce commission's adoption of a definite valuation policy in the now famous St. Louis & O'Fallon case. For every company it has taken the valuation made under the 1913 valuation act; to this it proposes to add the actual cost of the additions, deduct the retirements, and provide for further depreciation. It intends thus to have a definite and non-varying rate base. This matter is now before the courts, and its constitutional validity will be decided. A profound public service would be rendered if all the commissions join actively with the interstate commerce commission to obtain the supreme court's approval of the positive plan of dealing with rate-making.

Since the problem has been placed clearly before the commissioners by Chairman Prendergast, then why not proceed to formulate a program of valuation? Why not agree immediately that for effective and sound future rate-making, a fixed and non-variable rate base is necessary, which can be determined from the books and records of the company? For such a policy, "reproduction cost" would be definitely rejected for the future. All subsequent investments made after the adoption of the policy would be kept upon a fixed "dollar" basis. But there would be the problem of valuing the existing property upon a reasonable basis, which would pass the scrutiny of the courts, and which in fact would be fair and reasonable to the company and to the public at large.

HOW VALUE EXISTING PROPERTIES?

If so much of a program can be agreed upon immediately by the commissions as necessary, then there is left the single problem of determining the basis of valuing the existing properties. This, however, would be a difficult question on which there would be sharp differences of opinion. But in any case, probably no single formula could be carried out. Whatever general theory might be adopted, variations and adaptations would have to be made to meet the conditions of different properties. This would probably be necessary to deal justly both from the standpoint of the companies and the public.

So far as general principle is concerned, the issue would be chiefly between "reproduction cost" and "prudent investment." Chairman Prendergast would favor reproduction cost at the time of the valuation. The amount thus determined, however, would then become a fixed quantity for the future; not subject to further variation with prices. There are indeed forceful considerations in favor of reproduction cost. The principal one appears in the pronouncements of the recent supreme court opinions. While the language employed cannot be accepted as definitely fixing reproduction cost as the determination of "fair value" for rate-making, the majority of the court clearly believes that this should be considered as the dominant, if not the sole criterion of fair value.

On the legal side there is no doubt that a program basing the initial valuation upon reproduction cost would have a better chance of obtaining the judicial sanction than upon prudent investment. If the latter were adopted, there would be, also, economic injustice imposed upon many of the investors. While from a long-term standpoint the cost of service and the return on actual capital expended must be the fundamental basis of rate-making if effective and sound regulation is to be established, yet such definite provisions have not beeen adopted in the past and if they were now put into effect retroactively there would be unreasonable treatment of the common stockholders. These groups have devoted their capital to a public purpose with the idea of obtaining a fair return. While the property was always limited to reasonable rates and a fair return, yet the basis of such fair return was never definitely established except in the general terms of *Smyth* v. *Ames*,—a fair return on the fair value of the property.

ADJUSTMENT FOR COMMON STOCK INVESTMENT

If there had been no great changes in price level, then the fair return could most reasonably be predicated upon the prudent investment as above defined, and there would be no difficulty in reaching promptly a definite basis of dealing with rates for the future. Indeed prior to the great change in prices before the war, there was a tacit purpose among the commissions to establish gradually the actual investment as the basis of rate-making. This was not provided for by outright statutory provisions or concrete adoption of the plan by the commissions, but by piecemeal proceeding with individual properties, establishing valuations as cases arose, and then dealing subsequently with the actual facts of additions, retirements and depreciation. This entire course, however, was swept aside by the economic upheavals of the war; the basis of valuation has become a fundamental issue and has rendered regulation more than doubly difficult. Now with the much higher price level it will be practically impossible to establish a definite basis by piecemeal procedure. It is really necessary for the commissions to adopt a program for the future in the light of present-day conditions; a program that will be effective and financially sound.

If the existing properties were to be valued now wholly on the basis of prudent investment, the common stockholders would be subject to real economic loss because of the present higher prices and the consequent lower purchasing power of the dollar. They doubtless expected a fair return in terms of the dollars as expended at the time of the investment. If they are now to be subjected to a limited return in an affirmative program for the future, they should be allowed an adjustment in their investment equivalent to the higher price level compared with the time when the investments were made. This would be only fair treatment which would preserve for the stockholders the same actual income as expected when the investment was made.

So far as the bondholders and preferred stock are concerned, the situation is entirely different. They accepted definite limitations in their return by contract and could not receive more even if adjustments in the valuations were made on their account. Whether prices rise or fall, they would always be entitled to the stipulated amounts; they could not get more and would not get less except in the case of insolvency. There would thus be no equitable ground to make an adjustment in these investments which are in fact limited by contract to a return based upon actual investment. If the entire investment, including that of bond and preferred stockholders, were appraised at reproduction cost, the benefit would be limited to the common stock. But as to the average property, about 75 per cent of the investment was made by the bond and preferred stockholders, and only 25 per cent by the common stockholders. Consequently if the existing properties were appraised on the reproduction cost basis, the benefit to the common stockholders would be pyramided; in many instances it would give much more than a fair return and would place an undue burden upon the public.

A REASONABLE COMPROMISE

As between the extremes of reproduction cost and prudent investment, I have suggested the compromise here briefly outlined. This would recognize the reasonable economic right of the stockholders to an adjustment representing present-day higher prices, but would deal with the other security holders on the basis of the actual limits upon their return as fixed by contract. It would admit the controlling facts in the actual situation, and would provide a material weight for the reproduction cost element in the determination of fair value.

This basis of valuing the existing properties is offered as the most practicable and reasonable compromise between the two extremes. Since it would treat the stockholders fairly and would recognize all actual obligations, it would doubtless receive the judicial approval. It could certainly not be viewed as confiscating any private rights. It would deal fairly with the investors, and would not impose any burden upon the public not warranted by fundamental considerations. But even this basis of valuation probably could not be followed rigorously in all instances. There would have to be sufficient flexibility to meet the varying conditions with reason. It would be necessary, however, to resolve definitely all questions in every case, and to determine once for all the fixed fair value of existing properties for all future rate-making.

While the proposed basis is offered as a reasonable and just compromise to meet present conditions, the difference between this adjusted investment and reproduction cost would probably not be great in most cases. This is particularly true of a large proportion of the electric and telephone properties which have been built up to a large extent during and since the war at the high level of costs. But most properties have been in part renewed at high cost, and additions have been made at present level of prices. In the ordinary property, therefore, the difference in amount between reproduction cost and the adjusted investment would have but slight influence upon the actual rates charged for service. There are instances, however, of old properties which have not incurred much obsolescence and which have not been extensively renewed in recent years, nor have been materially enlarged; here there would be a considerable difference between reproduction cost and adjusted investment. But in most of such cases the actual return realized up to the present has been practically limited more to the prudent investment than the reproduction cost; so that the proposed compromise would cause no hardship in actual application. Where the returns have been raised substantially to the reproduction cost level, there would be difficulty in reducing them to a materially lower level. This is especially true where such earnings have been established for a considerable period and have entered into the recognized financial standing and policies of the company. In all such cases probably a greater recognition of reproduction cost would be practically necessary than appears in the proposed compromise. This is a matter of reasonable adjustment for individual cases.

EXCESSIVE OVERHEADS

Let us recognize, first, that it is necessary to get a definite and fixed basis of valuation. Let us consider also that compromise is inevitable as between the extremes of reproduction cost and prudent investment. I submit that the proposal for the most part meets the situation rationally and equitably; but provisions should be made to meet justly the varying conditions of individual cases. The controversy between extremes would be greatly narrowed, moreover, if Chairman Prendergast's observations as to overheads and going value were carried out. I quite agree that one of the greatest objections to reproduction cost is the gross inflation introduced by the companies in presenting their claims. The overheads, the element of "going value," and even the unit prices of physical property are often grotesquely pyramided by company experts. If the reproduction cost is based upon reasonable unit prices that would be actually incurred today in such properties, economically planned and constructed, and if the overheads were limited to sensible amounts, in most instances there would be no great reason for serious public objection to reproduction cost. Certainly it would affect only slightly the general level of rates. I firmly believe that it would be better to adopt reproduction cost predicated upon rational unit prices and overheads but to establish a definite rate base for the future, rather than continue with undefined policies, repeated valuations, the constant conflict, and the unsatisfactory results.

While a definite rate base for the future would doubtless be warranted even if the valuation of existing properties were based upon reasonable present-day reproduction cost along the lines presented, such a policy would hardly be warranted. The compromise offered would meet, in general, the actual conditions in a reasonable manner. The rate base should be kept as low as possible in the interest of the public, compatible with fair dealing with the investors.

There is, moreover, the further practical consideration that if reproduction cost were used for the initial valuation, this fact in itself would remain as an element of weakness for a permanent plan in dealing with future rate-making. We must not forget that we are now relatively on a very high level of prices; the highest for a century except during peak-war or post-war conditions. If there should be a substantial decline during the next ten or twenty-five years, then the present reproduction cost valuation fixed permanently in the rate base, would probably be subject to political attack. If, however, the initial valuations are based upon prudent investment, with such adjustments as are necessary for fair dealing with the stockholders, then there would be much less reason for political attack hereafter. The policy thus established would stand more squarely upon reason and common sense, and would thus withstand more readily future demogogical opposition.

In conclusion, therefore, let us urge first, that the commissioners agree that a definite rate base for the future is necessary and, second, that they adopt a basis of valuation which meets squarely the actual conditions and requirements of fair dealing. Why not refer this whole matter to the valuation committee of the National Association to prepare a report and a tentative program?

Very truly yours,

John Bauer.

GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

Secretary

Annual Convention Highly Successful.—The sixteenth meeting of the conference was held at the Bar Association Building, New York City, on November 9, 10 and 11. Seventy-two individuals, representing thirty-seven research organizations of the United States and Canada, registered for the convention. Of this number, fifty-six were members and sixteen were non-members.

On Wednesday, November 9, the conference met alone. After an address of welcome by Luther Gulick, chairman, the forenoon session was devoted to a discussion of current work and publicity methods of the research bureaus.

A luncheon was held at noon at the New York City Club. This luncheon was featured by an address by R. Fulton Cutting, chairman of the board of trustees of the New York Bureau of Municipal Research and the National Institute of Public Administration. The chairman presented an interesting and scholarly statement of the accomplishments and discouragements in municipal government during the past year and the progress made in the organization of new research agencies. At this session, also, the secretary made a report on the past year's work of the conference.

The afternoon session was marked by an address on "Fallacies and Foibles of the Research Movement" by Francis G. Oakey of Searle, Oakey and Miller, New York. The discussion following Mr. Oakey's address was so spirited and so interesting that the conference refused unanimously to leave the meeting for a scheduled sight-seeing trip through the Holland Tunnels. The session continued until 5.30 P.M.

The ladies were entertained at tea by Miss Grace R. Howe, assistant secretary of the National Municipal League. In the evening, all members of the conference were guests of the National Institute of Public Administration and the New York Bureau of Municipal Research at a dinner at the Greenwich Village Inn. Following the dinner, C. E. Rightor of the Detroit Bureau of Governmental Research and Dr. C. E. McCombs of the National Institute of Public Administration reminisced on the subject of "Governmental Research Behind the Scenes."

On November 10 and 11, the conference joined with the National Municipal League in round table sessions. Three sessions were conducted synchronously during the forenoon and afternoon of both days. The subjects of the round table sessions were as follows: Budget Procedure, Special Assessments, Popular Misconceptions Regarding Crime, State Supervision of Local Finances, What Makes Public Opinion, Proposed Model Budget Law of National Municipal League, A Municipal Program for Combating Crime, Improving College Courses in Municipal Government, Executive Allotments as a Means of Budget Control, Is the Large Slacker Vote a Menace, and University Training for Public Service.

A complete report of the convention will be published in the near future in the annual proceedings of the conference which will reproduce in full or in abstract the addresses delivered and the discussion following each.

This meeting was noteworthy for the sustained interest of the delegates. Every session was well attended, and there was a very marked absence of loitering in the lobbies outside the meeting rooms. The opinion was unanimous that this meeting was one of the most successful in the history of the conference.

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Buffalo Municipal Research Bureau.—One of the first studies made by the Buffalo Bureau after it began operations in June was a survey of the existing water debt. A report was made, suggesting certain changes in policy in regard to debt liquidation which would eventually save nearly one million dollars. The Bureau's report was carefully considered by the commissioner of finance and accounts and later by the entire council. On October 28, the Bureau's recommendation was unanimously approved by the city council and ordered to be put into effect as the city's future policy.

The commissioner of finance and accounts now has under consideration the Bureau's second report covering the liquidation of the general bonded debt of the city. This report likewise has recommendations which would effect the saving of several million dollars.

The Bureau's survey of the park department has been completed and the report is now in the course of preparation, as is also a memorandum entitled "Concrete Pavements for Buffalo Streets."

The Bureau has recently issued a number of interesting bulletins: one which dealt with an analysis of municipal expenses for the past twenty years, and another on the proposed constitutional amendments, both of which received very favorable comment from the local press.

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California Taxpayers' Association.—The California Taxpayers' Association has completed an analysis of expenditures of San Diego county, similar in nature and extent to its Kern county report. A survey has also been made of the expenditures of the city of San Diego. Both surveys will be published soon.

At the request of the local taxpayer's committee, the research department has analyzed the past growth and expenditures of the city of Santa Paula and has prepared a financial program for 1927–37. This report is now in press and will be issued soon.

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Citizens' Research Institute of Canada.—The annual convention of the Canadian Tax and Civil Service Research Conference was held in Toronto jointly with the National Tax Association of the United States. The papers presented were of a very high order and the interest displayed by the delegates was most encouraging. The papers and discussions thereon are now in the hands of the printer and the *Proceedings* will be ready for distribution soon.

The first of the annual series "Cost of Government in Canada—Municipal" is being prepared and will be issued shortly. This report covers sixteen Canadian cities.

⁂

Taxpayers' Research League of Delaware.—The League has completed an exhaustive analysis of the costs of state government for the years 1915–1926. The major part of its work for the next few months will be the preparation of material for the committee of the Delaware Bankers' Association, which has been appointed to work with the League in the formulation of a modern, comprehensive finance code for the state.

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Des Moines Bureau of Municipal Research.—The fee system for county offices in Iowa received at least a temporary setback when the local district court recently ruled that the clerk of courts was not entitled to receive fees as a member of the county insane commission. Armed with favorable opinions by the attorney general and county attorney, the clerk of the courts presented a bill to the supervisors for fees as a member of the county insane commission since 1924. Allowance of this claim would have permitted clerks in other Iowa counties to collect back fees amounting to from $50,000 to $75,000. The Des Moines Bureau of Municipal Research employed counsel and intervened with the sanction of the supervisors, with the result that the district court decided against the payment of fees. The case has been appealed to the state supreme court. It is being watched with considerable interest by the State Clerk of Courts Association, as this case will set a precedent for the entire state.

The Bureau completed a report on the city's finances as related to the city plan at the request of the city plan commission and Harland Bartholomew and Associates, who have prepared various major city reports. This report by the Bureau recommended the preparation of a ten-year master budget including not only proposed capital outlays for the school, city, and county, but also probable operating expenditures for the next decade. It is hoped that such a report will tend to control the increase in tax rates for the next ten years.

The Bureau completed a report relative to the proposed purchase of voting machines by the county board of supervisors. The report shows that the average number of voters handled by one machine in Polk County is far less than in many other governments using voting machines. The Bureau may recommend to the next state legislature that the hours for voting be lengthened so that the number of voters per machine may be increased. This would remove the necessity for purchasing a large number of additional machines.

During Fire Prevention Week, the Bureau handled publicity which included statistics relative to local fire losses and feature stories describing fire prevention work here.

Taxpayers' League of St. Louis County, Inc.—The tax levies were the most important concern of the Taxpayers' League during October. In the city the League was able to perform a valuable service. All of the commissions extended every possible courtesy, and during the budget consideration the League representative was admitted to all private sessions of the council. Many appropriations were cut from the budget requests on the advice of the League, and the appropriations as finally passed were approved by the League in practically every detail. Subsequent to the adoption of the budget, the commissioner of finance informed the League that the value of the assistance rendered by this office was inestimable, and that it was greatly appreciated not only by himself, but by the other commissioners as well.

In the county a very different situation existed. Due to the recent critical attitude on the part of the League, it was, of course, expected that coöperation would be impossible. The League, however, had a representative present at all sessions of the county board, and while there may have been more indirect influence brought to bear due to our presence, so many delegations were present requesting this and that appropriation, that it was the part of politics to acquiesce in these requests. In the opinion of the staff, the road and bridge levy might easily have been cut $400,000 without in any way hampering the service to be rendered in 1928. If the county tax rate in the future is to be kept within reasonable limits, a definite program of county reform must soon be launched.

C. E. Rightor of the Detroit Bureau of Governmental Research was in Duluth the early part of October, and made a study of the Water and Light Department. Mr. Rightor's report has been received and will be published soon.

Work on the county investigation has continued, and several new transactions have been brought to light. Additional affidavits relative to affairs in the sixth district have been obtained. Judge Fesler, presiding justice of the district court, has informally advised that he will withhold his acceptance of the League's invitation to a conference until after the decision in the Penttila case is handed down by the supreme court.

Due largely, we believe, to the continual effort made by the Taxpayers' League, the minimum wage ordinance was finally defeated. It is not intended to convey the impression that the League is solely responsible for this, but it is felt that the League kept after this matter longer and more diligently than any other organization.

✤

The Taxpayers' Association of Fall River, Inc.—Within a month after starting operations, the Taxpayers' Association of Fall River was met with the old cry of "interference by outside experts," references to "self-appointed officials," etc., etc., terms that are familiar to other researchers in their work with new bureaus. In Fall River, the statements came as the result of the Association's opposition to a bond issue of $100,000 for sewer construction, the purpose of which was actually to furnish city jobs before election, December 9. The Association submitted a memorandum to the mayor analyzing the bond issue and raising numerous points that had not been considered when the issue was acted upon by the board of aldermen. A communication reviewing the same points as those placed before the mayor was submitted to the board of aldermen at their meeting to consider the mayor's veto of the issue, and occasioned the remarks referred to above. The bond issue, however, failed to gain the necessary two-thirds, in fact failed of major support, the vote being twelve to eleven to sustain the veto. The issue originally passed the board by a vote of twenty-one to four.

A study of purchasing procedure is now under way, the preliminary work of which indicates the need for improvement and the centralization of purchasing under a single head. In Massachusetts the question must be placed upon the ballot and, pending early action on the Association's study, it is hoped the question will be voted upon in December.

✤

University of Florida.—A bureau of municipal research and information has been established at the University of Florida, with W. W. Hollingsworth as director.

✤

The Albert Russel Erskine Bureau for Street Traffic Research, Harvard University.—The Bureau has appointed two Erskine research fellows for the coming academic year. Clarence Taylor, a graduate engineer from the University of California and for six years connected with the traffic division of the Berkeley, California, Police Department, will conduct investigations regarding police organization and administration for traffic control and relief. Maxwell Halsey will continue his investigations in connection with traffic surveys.

The Mayor's Street Traffic Survey of the City of Boston, which is being directed by the Erskine Bureau, is nearing completion. It is contemplated that the report will be published early in the coming year.

✠

St. Louis Bureau of Municipal Research.—The St. Louis Bureau of Municipal Research has just completed its fifth year of operation.

Although it has prepared lengthy reports on the municipal bridge and terminal situation, on the schools and on city-county consolidation, most of its activities have been directed toward studies of the cost of municipal operations.

Direct savings in the cost of city government, as a result of the Bureau's work, amount to more than $1,000,000 a year. There have been many indirect economies which, undoubtedly, greatly augment this sum. Following the Bureau's reports and recommendations, the cost of garbage disposal was reduced $531,000 over a five-year period as compared with former disposal costs. The substitution of oil for water sprinkling of soft-paved streets and the use of motor flushers on hard-paved streets will save taxpayers approximately $366,000 during the present year. Following our reports and recommendations forty-three positions paying salaries of $64,000 annually were abolished. The substitution of motor trucks for teams reduced hauling costs $43,000. The cost of janitor service in the City Hall was reduced $28,000, and changes in methods of operation in cleaning and repairing streets have resulted in savings of several thousand dollars. The Bureau has kept a constant check on disbursements for improvements being provided through the $87,000,000 bond issue. It has also recently been called upon to make a study of the proposed police pension system.

✠

Toledo Commission of Publicity and Efficiency.—Largely as a result of the efforts of the commission, the city finance department is preparing a detailed budget for 1928 which will conform for the first time with the provisions of the city charter effective in 1916. The commission from its own funds printed budgetary forms which are being used to procure detailed information. Prior to this year each division handed its requests to the finance department on departmental stationery.

The commission recently completed a report on the purchasing division. This report will be discussed with the administrative officials after the November election.

While the commission has not actively taken part in the campaign for a charter commission to draw up a charter providing for the city manager plan, it has, through its publication, the *Toledo City Journal*, endeavored to familiarize the voters with this form of government.

✠

Toronto Bureau of Municipal Research.—The second report in the series on "The Control of Civic Finance" has been issued. It deals with the result of operations of the water works, civic car lines, abattoir, housing commission and Canadian National Exhibition and Livestock Arena, over a period of ten years. The third in the series dealing with outside commissions is in preparation.

The report on motor accidents has been practically completed and will be issued soon.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Cleveland Votes to Retain City Manager Government.—In one of the most hotly conducted campaigns in the history of the city the voters of Cleveland on November 8 voted to retain the city manager form of government, which has been in operation for four years. Three charter amendments, two of them complete charters and one changing the election provisions by wiping out proportional representation, were on the ballot as the result of initiative petitions. Recognizing the confusion which would inevitably follow, the Citizens' League proposed the election of a charter commission as the only orderly way to prepare and submit to the voters substantial changes in the fundamental law. This proposal was also defeated.

The political battle was really not a charter campaign, but a fight between the "ins" and "outs" in the Republican party. Former Mayor and Governor Harry L. Davis, who has been out of public office for four years, fathered the charter amendment as a means of regaining his political power. He is a popular political leader and had the support of organized labor and all of the dissatisfied elements in the city.

In the face of this threatened danger, the Citizens' League and the regular Republican and Democratic organizations formed a coalition, named a high-grade ticket for the charter commission, organized a citizens' charter commission committee of 1,000 members which conducted the campaign in favor of retaining the city manager form of government.

All during the campaign the stress was laid on defeating the Davis amendment and not on the election of a charter commission. One of the strong newspapers vigorously opposed not only the amendments but also the charter commission. As a result, all four charter issues were defeated in the election. A vote of 154,000 was polled, and the city manager form was saved by a majority of only 7,393.

The city and its suburbs have not been so aroused over a political issue since the days of Tom Johnson. One of the interesting by-products of the campaign has been the creation of a widespread interest in the borough plan of government or some other form of unification through which the business and professional men living in the suburbs can have a voice in the government where their business and financial interests are located. The Citizens' League, which has been advocating regional government for ten years, is planning a county-wide conference on the subject in the effort to crystallize this public sentiment in favor of unification.

MAYO FESLER.

✣

Lodge Elected Mayor of Detroit.—Despite uncertain, at times inclement, weather, Detroit citizens turned out to the polls November 8 in unusual numbers to defeat Mayor John W. Smith, incumbent for three years, and elected as mayor John C. Lodge, the single outstanding man who represents the best political flavor of the city, both in ideals and in actual achievement. The margin of victory was only 12,000, which could have been greater if the day had been fair—one factor was the women's opposition to Mayor Smith. The city accepts the verdict as the most momentous in a decade.

Mr. Lodge, after eighteen years of continuous public service in county and city, made no personal campaign—not a speech or a single public statement. He was so well known that his record—except for temporary political claptrap and ballyhoo—was accepted as his reasonable, sane platform. He was literally drafted with petitions voluntarily circulated, having 50,000 signatures. A citizens' committee modestly used a few letters mailed to voters, a few paid advertisements, and many brief personal interviews from citizens, published in all the three daily papers but most generally in the *News*, which led the Lodge program. The *Free Press* and *Times*, ostensibly neutral, apparently felt with Smith, particularly the *Times*, a Hearst paper. The *Detroit Saturday Night*, after supporting Smith three years, at the end came out for Lodge, symbolizing the general disgust of the majority with the Smith tactics.

Contrary to press hysteria in some quarters, the issue was not prohibition or religious bigotry, but the question of hesitant compromising, fairly good administration, politicalized at all possible points, as against the real trend of the town for ten years; progressive, efficient, businesslike handling of the government in harmony with the charter and with a fair attention to problems on their merits rather than on the basis of personal and political adroitness in maneuvering for advantage. By accident the "wet" issue was injected into the campaign, through a Washington "dry" report attacking Detroit. At the October 11 primary Lodge had won a sensational majority over all the six other candidates for mayor, hence Mayor Smith in desperation seized the opportunity to take a chance in corralling the wet vote in a city that has never been actually dry. Local opinion, however, had evidently become set in advance and even wet and liberal elements, as well as dry, refused to be stampeded by a false war-cry.

The Anti-Saloon League was a liability to Lodge, though its constituents were for him; the League made only one small public statement, not naming Lodge but attacking Smith as "our blind-pig mayor," Smith sought vainly to carry himself in by attacking the alleged dry committees of Lodge which the people knew to be false. No mayor alone can make Detroit dry, but Smith's "raw" condemnation of prohibition as a "national joke" was resented even by liberals and wets. It is believed that Mr. Lodge can improve conditions in his own quiet way, especially if he is accorded some coöperation from the courts, but he is expected chiefly to put major emphasis on those fundamental projects of clean administration with which he is familiar. During the past nine years since the present charter (providing a strong mayor and council of nine chosen at large) went into effect, Mr. Lodge has been the administrative leader of good government, as president of the council, acting mayor on many occasions, chairman of the election commission, and chairman of the steering committee in Wayne county government.

The campaign proved that under a fair democracy the people can be trusted to decide well their affairs, regardless of campaign bluster and adroit tricks of publicity. Every "Tammany" device known short of stuffing the ballot box was used by supporters of Smith, whose political stock had been running low during the past year. Even the religious issue availed nothing. Lodge, a Protestant, is broad and fair, and received thousands of votes from Catholics and Jews, even though Smith belongs to the Catholic faith. Among his frequent objects of attack Smith campaigned against the *News* and the Detroit Citizens' League, both of which refused to retort in kind, but sounded only the praises of the other candidate. The *News* especially deserves credit for a fair and truthful handling of its program, both in news and editorial columns—its aim was to present facts as facts, and the idea evidently made a winning appeal.

✠

New York's Elections.—This is an "off year" in New York state and city. Ordinarily there would have been little interest displayed in an election at which the only offices to be filled were those of assemblyman and alderman and a scattering of judgeships. The campaign, however, was enlivened by a very vigorous discussion of certain constitutional amendments, two in particular. In all, nine amendments were submitted to the state electorate. No. 1 provides a budget. No. 2 exempts $300,000,000 for subways from the debt limit of New York City. No. 3 permits the county to assist in grade crossing elimination. No. 4 raises the salary of governor to $25,000 and the salaries of state senator and assemblyman to $2,500. No. 5 makes the governor head of the executive department. No. 6 would extend the term of governor and senator to four years, the elections to take place in presidential years. No. 7 related to a highway in the forest reserve. No. 8 gives counties power of excess condemnation. No. 9 requires a referendum on annexation to cities. In addition there was a home rule proposition in New York City relating to housing through excess condemnation and leasing. (See NATIONAL MUNICIPAL REVIEW, November, 1927, page 700.) The sixth amendment created the keenest controversy. Governor Al Smith waged a vigorous campaign against it, stumping the state almost as if he had been running for office. The amendments had been put through by a Republican legislature largely for partisan advantage, but it was difficult to enlist the support of outstanding Republicans for the proposition. Only two were found to support it, Theodore Roosevelt, Jr., and at the last moment, President Butler. The governor was completely successful. The amendment was defeated by 1,151,000 votes.

It is difficult to deny the governor considerable credit for the defeat of this proposition. That its defeat was wholly secured through his efforts would seem, however, to be refuted by the fact that the amendment failed to carry a single county in the state, losing in the up-state Republican districts by almost as decisive a vote as it lost in New York City.

Mayor Walker in New York City engaged in a lively campaign for the extension of the city debt limit, but he never presented a program of any sort. There was no organized opposition to the proposal. Very few Republicans had the temerity to speak out against it. The five-cent fare and other shibboleths filled the air, and the amendment carried the state by 180,000 votes. It is worth noting that with almost no campaign against it, 238,000 people voted in the negative. The mayor's housing proposition won by 550,000. All of the other constitutional amendments were carried by large majorities. Republicans and Democrats alike, in order to avoid confusing the voters, adopted simplified slogans. The former in order to safeguard amendment No. 6 in which they displayed greatest interest urged voting yes on all amendments. The Democrats urged voting no on No. 6 and yes on all others.

Apart from a scattering of Socialists with no prospects of election, there were only four women candidates in Tuesday's election, though there were almost two hundred places to be filled. Of these Mrs. John T. Pratt alone was elected. That the party leaders were not in error in selecting women, however, may be inferred from the fact that in three of the four cases the vote for the women candidates ran ahead of the party ticket.

Aside from the vote on the debt limit the most distinctive result of the election from New York City's standpoint was the increased Republican strength in the board of aldermen. The division of strength in the board offers one interesting analysis. The total vote for Democratic aldermen was 682,984, or 63 per cent. The Democrats, however, received 58 of the 65 seats, or 89 per cent. The total Republican vote was 352,327, or 32 per cent. Their seven seats represent 11 per cent of the vote. The Socialists cast 5 per cent of the vote (52,987) and received no seats. Two years previously, however, the Republicans with almost the same proportion of the vote (33 per cent) received but three seats.

In the Harlem district the party elected two negro aldermen. The negro vote in Harlem is coming to be regarded with considerable interest by both parties. Each is making careful efforts to win favor in this large group. The total negro population in Harlem is estimated at 250,000; the negro population of the city is over 350,000. Many, however, are West Indian negroes who seem to prefer British citizenship to American citizenship. The negro vote appears to have followed party lines rather than the color line. In the 19th district, for example, a white Republican candidate for assemblyman defeated a negro Democratic candidate by 2,100 votes. A negro Republican candidate for alderman, Fred R. Moore, editor of the *New York Age*, defeated his Democratic white opponent by but 1,300 votes. In Brooklyn a negro candidate for county judge polled 22,000 votes, running far ahead of his ticket.

JOSEPH MCGOLDRICK.

✤

Toledo Voters Endorse Manager Plan.—Another large Ohio city will shortly join the ranks of council-manager governed municipalities, if the results of the November election on the question of framing a new city charter is indicative of the attitude of the electorate.

By a three to two vote the electors of Toledo, the third largest city in Ohio, and with a population of over 300,000, authorized the naming of a commission to frame a new charter. At the same election fifteen commissioners were chosen to do the framing.

Each of the fifteen members, in fact each of the twenty-eight candidates, declared publicly before the election that he or she favored the council-manager plan. In addition below the name of each candidate on the ballot appeared the phrase "For the City Manager Plan." This practically assures the framing of a charter providing for the city manager plan and also indicates that the voters favor that form of government.

It may interest some to know that there were two slates of charter commission candidates, each slate claiming to be independent of any political organization. It became known, however, that one of the slates was actually hand-picked by the local Republican boss, Walter F. Brown. The other slate was made up of really independent candidates. The election returns show that a majority of the successful candidates are independents and three of the successful partisan slate candidates cannot be dictated to by the Republican boss, they having been placed on the slate to give "color" to the entire group.

Though the Republican boss declared himself to be in favor of the council manager form, word was passed out to the machine cohorts to vote no on the question of framing a new charter. The defeat of the machine's candidate for mayor by an independent candidate further weakens the influence of the Republican organization in attempting to dictate the provisions of the new charter.

The present form of government in Toledo is the strong-mayor council type with complete centralization of responsibility for service activities in the office of the mayor. So far as administration is concerned it will be necessary for the new commission only to provide for turning over to the city manager the powers and duties of the mayor and to determine the type of civil service management.

The big problem will naturally be the method of selecting city council and the number of council members.

It appears that at least a majority of the charter commissioners are in sympathy with P. R. This system consequently may be adopted if the friends of P. R. can convince nearly all of the commissioners of its adaptability to local conditions. It is very probable that the number of councilmen will be reduced from twenty to nine or eleven. With the experiences of Cleveland, Cincinnati and Dayton, the new Toledo charter should be comparatively easy of formulation and it is hoped of putting it across to the voters.

◆

Mayor Rolph Wins Fifth Term in San Francisco.—Mayor J. J. Rolph, Jr., emerged victorious from the city and county elections on November 8, defeating James E. Power, his strongest opponent, by more than thirty votes on the face of unofficial returns. This gives Rolph a fifth term of four years. His victory was a complete defeat for Sheriff Tom Finn, who had combined forces with Power in the fight for the two important offices of mayor and sheriff. Readers will recall that Dr. Delos F. Wilcox was unwillingly involved in the campaign due to the veto by Mayor Rolph of the ordinance passed by the board of supervisors retaining him to prepare a report on the Market Street railway franchise. It was made to appear that the engagement of Dr. Wilcox was forced upon the city by the boss rule of Power and Finn. Dr. Wilcox was subsequently retained, the ordinance having been passed over the mayor's veto.

Mayor Rolph, known locally as Sunny Jim, seems to have become a fixture in the mayor's chair. He has been mayor for sixteen consecutive years and now will rule for four years more. He is trim and dapper, human and friendly. He knows how to mingle with all classes and has succeeded in retaining throughout his career the support of Labor and the foreign voters. Many people feel that his fight against the wicked political machine was not all that it appeared inasmuch as he has a pretty complete machine of his own.

◆

Philadelphia Mayorality Election Complete Victory for Vare.—The election of Harry A. Mackey on November 8 as mayor of Philadelphia recorded one of the most sweeping victories in the history of organization politics in Philadelphia. His opponent was J. Hampton Moore, a former mayor of the city, who ran as an independent under the banner of the hastily formed Citizens' Party. Vare adherents also retain complete control of the city council.

The Citizens' Party charges irregularities in the elections and the expenditure of more than one million dollars by the Vare managers. Consequently a proposal has been made to form a permanent organization to which will be attracted the independents of both the Republican and Democratic parties on the principle of non-partisanship in city affairs. Philadelphia remains contented and the Citizens' Party believes that she is still corrupt.

Like the present mayor, whom Mr. Walnut in the May REVIEW described as an inveterate joiner of secret societies, Mr. Mackey belongs to a large number of fraternal orders. According to the *American Mercury* he is a member of forty-two clubs, societies and fraternal orders.

◆

Cincinnati Council Elections.—Although at the time of writing it is too early to report the complete returns of the second P. R. election in Cincinnati, the early results clearly indicate the election of a majority of charter adherents. Three members of council were elected on the first ballot, among them being Murray Seasongood, the present mayor. City manager government in Cincinnati will therefore for the next two years be in the hands of its friends,

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